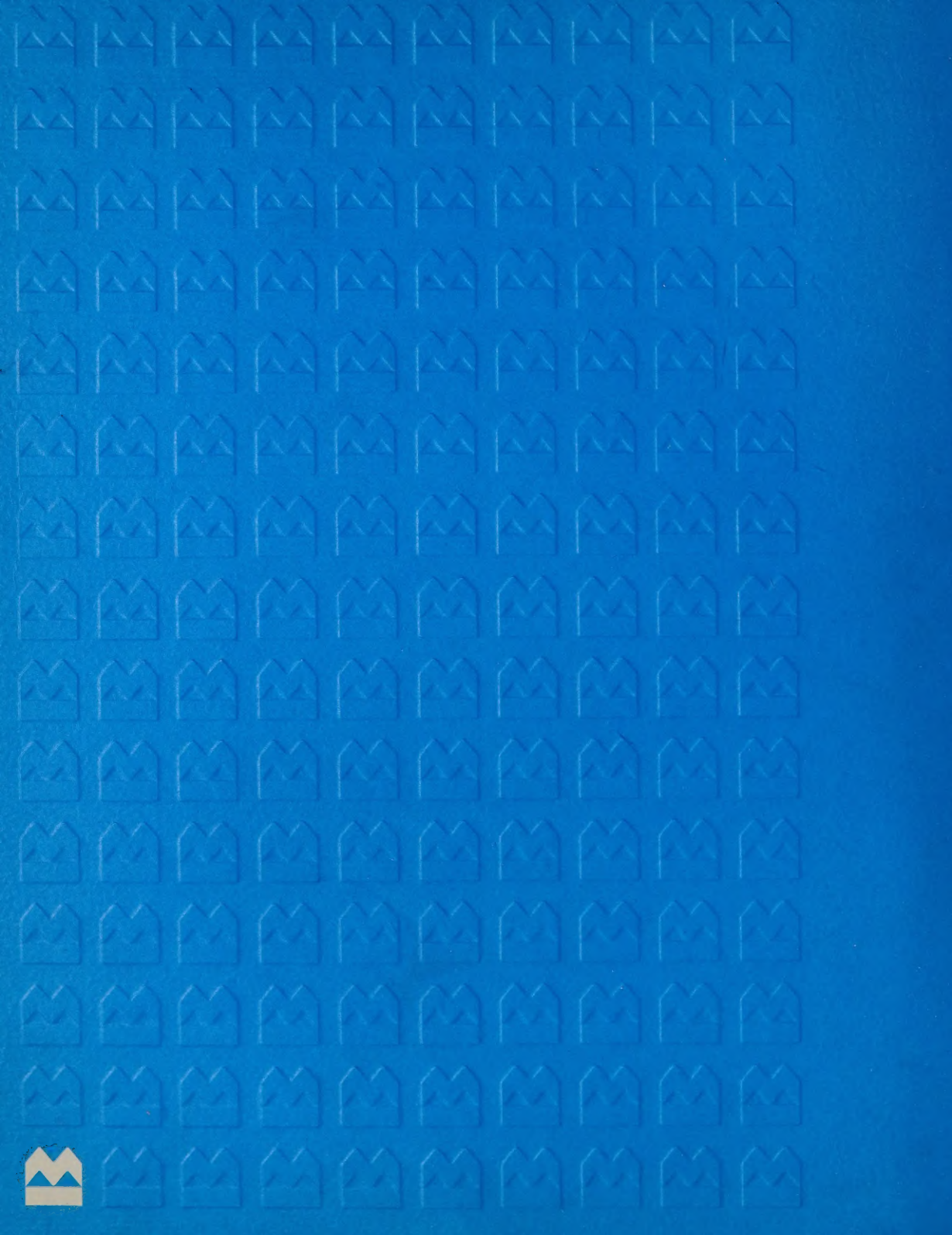


AR49

File





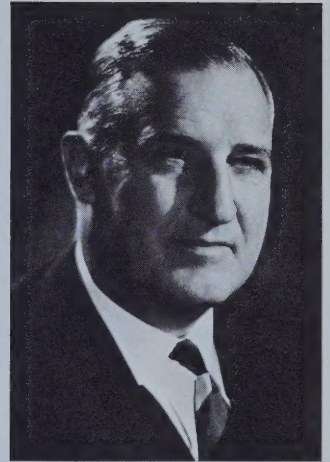
150th Annual Report
Bank of Montreal
Canada's First Bank

Annual General Meeting
in Montreal, December 4th, 1967



(On peut obtenir sur demande un exemplaire du rapport en français)

R. D. Mulholland



Foreword from the President

As this Annual Report is read by our 28,500 shareholders and many other friends around the world, we of the Bank of Montreal are already well embarked upon our 151st year of corporate existence. For while we have successfully concluded twelve months which have surely provided the most rewarding experiences of our banking careers, as well as making the greatest demands upon us, the 17,000 men and women who represent Canada's First Bank are not looking backward.

The theme of this special Annual Report is "YEAR 150". In it we have assembled a review of the past which brought us to the milestone year of 1967; we have reported our activities in this noteworthy year of Canada's Centennial and Expo '67; and we have endeavoured to look forward to anticipate our part in the Canada and the world of the future.

I know that each one of us in his own way is deeply conscious of the particular place held by the Bank of Montreal in the history of Canada. Each of us has

been motivated day by day with the knowledge that we are custodians of a great heritage.

But "YEAR 150" has been much more significant for us than merely an opportunity to review a proud past. For 1967 has also been the year, I believe, in which the new spirit of the Bank has become apparent. This has been a year in which our determination to move forward as a vital new force in Canadian banking — as a leader for others to follow — has become clear.

As this Report indicates, many major steps have been taken in many major areas; substantial progress has been made in our planned and coordinated effort to extend and improve the range and quality of our services. Much of what has been done has broken new ground in Canadian banking . . . and we have high hopes for many other innovations in the years ahead.

With 150 good years behind us, we look ahead with confidence and enthusiasm.

A handwritten signature in dark ink, appearing to read "R. D. Mulholland", written in a cursive style.

Board of Directors



***G. Arnold Hart**
Chairman and Chief Executive
Officer



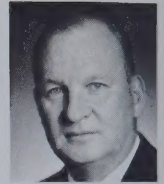
***R. D. Mulholland**
President



J. Leonard Walker
Senior Executive
Vice-President and
General Manager



W. A. Arbuckle
Montreal
Chairman of the Canadian
Board, The Standard Life
Assurance Company



W. M. Vacy Ash
Toronto
Company Director



Paul Bienvenu
Montreal
President and Managing
Director,
Catelli-Habitant Ltd.



***George W. Bourke**
Montreal
Chairman of the Board,
Sun Life Assurance
Company of Canada

Vice-Presidents



***Harold S. Foley**
Vancouver
Industrialist



***The Hon. Leslie
M. Frost, P.C., Q.C.**
Lindsay
Partner,
Messrs. Frost, Inrig & Gorwill



Roger Létourneau, Q.C.
Quebec
Partner, Messrs. Létourneau,
Stein, Marseille,
Bienvenue, Delisle & LaRue



Ralph B. Brennan
Saint John, N.B.
President and Managing Director,
G. E. Barbour
Company, Limited



Charles R. Bronfman
Montreal
President,
The House of Seagram Ltd.



The Hon. Eric Cook, Q.C.
St. John's, Nfld.
Partner, Messrs. Cook,
Bartlett, Chalker, Marshall
& Thoms



***The Hon. Hartland
de M. Molson, O.B.E.**
Montreal
Chairman of the Board,
Molson Breweries Limited



***Budd H. Rieger**
Toronto
Vice-President, Canadian
Corporate Management Co. Ltd.



H. Roy Crabtree
Montreal
Chairman and President,
The Wabasso Cotton
Company Limited



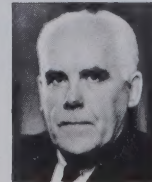
N. R. Crump
Montreal
Chairman, Canadian Pacific
Railway Company



F. Ryland Daniels
Montreal
Chairman of the Board,
Dominion Textile
Company Limited



Nathanael V. Davis
Montreal
President,
Alcan Aluminium Limited



Thomas W. Eadie
Montreal
Chairman of the Board,
The Bell Telephone Co.
of Canada



Donald Gordon, C.M.G.
Montreal
President and Chief Executive
Officer, British Newfoundland
Corporation Limited



Donald S. Harvie
Calgary
President,
Canadian Fina Oil Limited



Sir Nutcombe Hume, K.B.E., M.C.
London, England
Chairman, Charterhouse
Investment Trust Limited



Leonard Hynes
Montreal
President,
Canadian Industries Limited



Richard M. Ivey, Q.C.
London, Ont.
Partner,
Messrs. Ivey & Dowler



***Arthur C. Jensen**
Montreal
Former Chairman of the Board,
Bank of Montreal



J. H. Mowbray Jones
Montreal
Industrialist



David Kinnear
Toronto
Executive Vice-President
and Chief Executive Officer,
The T. Eaton Co. Limited



W. S. Kirkpatrick
Montreal
Chairman and
Chief Executive Officer,
Cominco Limited



A. Searle Leach
Winnipeg
Chairman,
Federal Grain Limited



Bernard M. Lechartier
Montreal
Vice-President and
General Manager, Crédit
Foncier Franco-Canadien



Arthur R. Lundrigan
Corner Brook, Nfld.
Executive Vice-President,
Lundrigans Limited



Donald A. McIntosh, Q.C.
Toronto
Partner, Messrs. Fraser, Beatty,
Tucker, McIntosh & Stewart



***D. R. McMaster, Q.C.**
Montreal
Partner,
Messrs. McMaster, Meighen,
Minnion, Patch & Cordeau



H. C. F. Mockridge, Q.C.
Toronto
Partner, Messrs. Osler,
Hoskin & Harcourt



J. Bartlett Morgan
Montreal
President,
The Morgan Trust Company



Victor deB. Oland
Halifax
President,
Oland & Son, Ltd.



H. J. S. Pearson
Edmonton
President,
Century Sales & Service Limited



Jack Pembroke, C.B.E.
Montreal
Chairman of the Board,
The Royal Trust Company



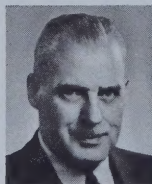
John G. Prentice
Vancouver
President,
Canadian Forest Products Limited



Forrest Rogers
Vancouver
President,
B.C. Sugar Refinery, Limited



Lucien G. Rolland
Montreal
President and
General Manager,
Rolland Paper Co. Ltd.



V. W. Scully, C.M.G.
Hamilton
Chairman and Chief Executive
Officer, The Steel Company
of Canada, Limited



George H. Sellers
Winnipeg
President,
Federal Grain Limited



G. H. Sheppard
Toronto
Chief Commissioner,
Liquor Control Board of Ontario



The Hon. James Sinclair, P.C.
Vancouver
Chairman of the Board,
Lafarge Cement of
North America Ltd.



***H. Greville Smith, C.B.E.**
Montreal
Industrialist



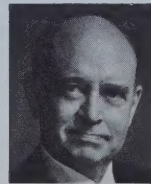
George C. Solomon
Regina
President,
Western Tractor Limited



Noé A. Timmins, Jr.
Nassau
Chairman,
Timmins Investments Limited



The Hon. Madame Georges P. Vanier, C.C., P.C.
Montreal



Henry S. Wingate
New York
Chairman,
The International Nickel
Company of Canada, Ltd.

In *Year 150* your bank . . .



. . . increased its assets by 11.7 per cent — or \$642 million, the largest dollar growth in any year in its history — to reach a new record of \$6,132,000,000.

. . . reported deposits at a new high level of \$5,608,000,000, an increase of \$613,000,000, or 12.3 per cent.

. . . set a new record for loans with a total of \$3,829,000,000, 14.5 per cent, or \$485,000,000 more than the 1966 year-end figure.

. . . welcomed 167,455 new business and personal depositors, bringing the total number of customers making regular use of the Bank's services to 3,644,796.

. . . recorded net earnings after taxes of \$20,720,444, a new high and 4.1 per cent over 1966. Earnings

were equal to 68 cents on each par-\$2 share, versus an equivalent of 66 cents in 1966.

. . . provided regular and extra dividends to its 28,773 shareholders totalling \$15,795,000, or 52 cents per share, representing an increase of 9.5 per cent over 1966 dividends.

. . . opened 39 new offices to reach a total of 1033 in Canada, the United States, the United Kingdom and Continental Europe, Mexico and Japan.

. . . participated actively in the broadening operations of its Caribbean affiliate, the Bank of London & Montreal Limited, which now has a total of 41 offices serving ten Caribbean and Latin American countries. The expanded Bank of Montreal network of foreign offices has thus increased to 58 on four continents.

Capital: \$60,750,000 Rest Account and Undivided Profits: \$174,870,245 Total Assets: \$6,132,452,838

Year 150 at Canada's First Bank

The 150th Annual Meeting of the Shareholders of the Bank of Montreal was held on 4th December, 1967, at the Queen Elizabeth Hotel in Montreal.

On taking the chair, the Chairman and Chief Executive Officer, Mr. G. Arnold Hart, introduced the officers seated with him.

Mr. H. Greville Smith, C.B.E., moved, seconded by Mr. H. Roy Crabtree, that Mr. W. R. Eakin, Jr., and Mr. J. A. Laurin be appointed to act as Scrutineers and that Mr. C. W. Harris be Secretary of the meeting. The motion was carried unanimously.

The Chairman then called upon the Secretary to read the Report of the Directors to the Shareholders.

Directors' Report

The Directors take pleasure in submitting to the shareholders the 150th Annual Report on the result of the Bank's operations for the year ended 31st October, 1967. (*See page 8 for the Statement of Revenue, Expenses and Undivided Profits.*)

During the year, Mr. Henry G. Birks retired from the Board and Mr. Donald Gordon, C.M.G., was appointed a Director.

In the financial year, thirty-nine offices were opened and seven were closed. As at 31st October, 1967, there were 1,033 offices of the Bank in operation.

The Statement of Accumulated Appropriations for Losses, which appears in the Annual Statement, publishes for the first time the accounts commonly referred to as "inner reserves", into which an appropriation of \$10,760,095 has been made from the year's operations and out of which amounts not otherwise provided have been drawn down for the diminution in the value of loans and investments which, in the opinion of management, is required after a careful valuation of the assets of the Bank. The sum of \$5,000,000 has been transferred from

Undivided Profits to Rest Account which now stands at \$173,000,000.

In June, a special general meeting of shareholders was held at which a by-law was enacted subdividing the capital stock of the Bank of the par value of ten dollars each into five shares of the par value of two dollars each to take effect at the close of business on 23rd June, 1967.

The directors acknowledge with deep appreciation the loyalty of the personnel of the Bank and the capable manner in which they have discharged their responsibilities during the year.

(Signed) G. ARNOLD HART,
Chairman.

Bank of Montreal,
4th December, 1967.

Statement of Revenue, Expenses and Undivided Profits

For The Year Ended October 31st

1967

1966

Revenue

Income from loans	\$ 238,145,468	\$ 215,138,012
Income from securities	55,855,134	49,483,152
Other operating revenue	48,066,515	35,570,823
Total revenue	<u>342,067,117</u>	<u>300,191,987</u>

Expenses

Interest on deposits	148,368,946	123,904,577
Salaries, pension contributions and other staff benefits	86,689,780	75,365,107
Property expenses, including depreciation	23,382,248	20,917,000
Other operating expenses, including provision for losses on loans based on five-year average loss experience	31,687,169	28,707,642
Total expenses	<u>290,128,143</u>	<u>248,894,326</u>

Balance of revenue	51,938,974	51,297,661
Appropriation for losses	10,760,095	10,403,331
Balance of profits before income taxes	41,178,879	40,894,330
Provision for income taxes relating thereto	20,458,435	20,988,731
Balance of profits for the year	20,720,444	19,905,599
Dividends at 52¢ per share - par value \$2 (1966 at 47½¢ per share on the basis of the present par value of \$2)	15,795,000	14,428,125

Undivided Profits

Amount carried forward	4,925,444	5,477,474
Undivided profits at beginning of year	1,944,801	1,467,327
	<u>6,870,245</u>	<u>6,944,801</u>
Transferred to Rest account	5,000,000	5,000,000
Undivided profits at end of year	<u>\$ 1,870,245</u>	<u>\$ 1,944,801</u>

Statement of Accumulated Appropriations for Losses

(Bracketed amounts are deductions)

For The Year Ended October 31st

1967

1966

Accumulated appropriations at beginning of year . . .	\$ 67,623,716	\$53,539,722
1967-General \$59,430,226 Tax-Paid \$8,193,490.		
Appropriation from current year's operations	10,760,095	10,403,331
Loss experience on loans less provision included in other operating expenses	(373,945)	7,811,695
Profits and losses on securities, including provisions to reduce securities other than those of Canada and provinces to values not exceeding market	(3,255,299)	(4,166,180)
Other profits, losses and non-recurring items, net . . .	96,617	35,148
Accumulated appropriations at end of year	<u>\$ 74,851,184</u>	<u>\$67,623,716</u>
1967-General \$67,531,580 Tax-Paid \$7,319,604.		

Statement of Rest Account

For The Year Ended October 31st

1967

1966

Rest account at beginning of year	\$168,000,000	\$163,000,000
Transferred from Undivided Profits.	5,000,000	5,000,000
Rest account at end of year	<u>\$173,000,000</u>	<u>\$168,000,000</u>

R. D. MULHOLLAND,
President.

J. L. WALKER,
Senior Executive
Vice-President and
General Manager.



Statement of Assets and Liabilities

Assets	1967	1966
Cash Resources		
Cash and due from banks	\$ 655,793,896	\$ 696,702,578
Cheques and other items in transit, net	162,625,477	128,313,059
	<u>818,419,373</u>	<u>825,015,637</u>
Securities		
Securities issued or guaranteed by Canada, at amor- tized value	941,973,501	848,622,528
Securities issued or guaranteed by provinces, at amor- tized value	63,693,126	57,538,351
Other securities, not exceeding market value.	179,807,004	141,769,439
	<u>1,185,473,631</u>	<u>1,047,930,318</u>
Call Loans		
Day, call and short loans to investment dealers and brokers, secured	232,361,656	223,464,315
	<u>2,236,254,660</u>	<u>2,096,410,270</u>
Other Loans		
Other Loans including mortgages, less provision for losses	3,596,897,037	3,120,888,819
	<u>5,833,151,697</u>	<u>5,217,299,089</u>
Sundry Other Assets		
Bank premises at cost, less amounts written off.	79,058,544	74,271,785
Securities of and loans to corporations controlled by the bank	16,477,558	14,827,772
Customers' liability under acceptances, guarantees and letters of credit, as per contra	198,812,757	180,498,449
Other assets	4,952,282	3,860,473
	<u>\$6,132,452,838</u>	<u>\$5,490,757,568</u>

Comparative Statement of the Position of the Bank on October 31st, 1967, and on October 31st, 1966

Liabilities

1967

1966

Deposits

By Canada	\$ 22,236,922	\$ 103,231,765
By Provinces	109,077,539	165,922,625
By banks	337,492,231	267,995,202
Personal savings payable after notice, in Canada, in Canadian currency	2,552,720,864	2,306,508,095
Other	2,586,962,034	2,151,710,465
	<hr/>	<hr/>
	5,608,489,590	4,995,368,152

Sundry Other Liabilities

Acceptances, guarantees and letters of credit	198,812,757	180,498,449
Other liabilities	14,679,062	16,572,450
	<hr/>	<hr/>
	5,821,981,409	5,192,439,051

Accumulated Appropriations for Losses	74,851,184	67,623,716
---	------------	------------

Shareholders' Equity

Capital stock —		
Authorized —		
50,000,000 shares of \$2 each \$100,000,000		
(10,000,000 shares of \$10 each in 1966)		
Issued and fully paid —		
30,375,000 shares	60,750,000	60,750,000
Rest account	173,000,000	168,000,000
Undivided profits	1,870,245	1,944,801
	<hr/>	<hr/>

R. D. MULHOLLAND, <i>President.</i>	J. L. WALKER, <i>Senior Executive Vice-President and General Manager.</i>	235,620,245	230,694,801
--	--	-------------	-------------

Auditors' Report to the Shareholders of the Bank of Montreal

We have examined the Statement of Assets and Liabilities of the Bank of Montreal as at October 31st, 1967 and the Statement of Revenue, Expenses and Undivided Profits and Statement of Accumulated Appropriations for Losses for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Bank as at October 31st, 1967 and its revenue, expenses and undivided profits and accumulated appropriations for losses for the year then ended.

<u>\$6,132,452,838</u>	<u>\$5,490,757,568</u>
------------------------	------------------------

C. W. LEACH, C.A., of the firm of McDonald, Currie & Co.	} Auditors
Wm. H. CAMPBELL, C.A., of the firm of Campbell, Sharp, Milne & Co.	

Montreal, November 20th, 1967

Controlled Corporations

Bank of Montreal Trust Company

Statement of Assets and Liabilities as at December 31st, 1966 (U.S. Currency)

Assets

Due from banks:

Approved reserve depositaries	\$ 616,339	
Other banks and bankers	343,100	
		\$ 959,439

Investments:

United States government securities	2,506,636	
Other	154,203	
(Quoted market value \$2,651,712)		2,660,839

Other assets		52,217
		<u>\$ 3,672,495</u>

Liabilities

Deposits:

Demand	\$ 1,316,735	
Time	6,498	
Due to banks	1,389	
		\$ 1,324,622

Income taxes		38,137
------------------------	--	--------

Other liabilities		7,744
-----------------------------	--	-------

Capital stock and surplus:

Capital stock — Authorized, issued and fully paid — 10,000 shares of \$100 each	1,000,000	
Surplus	1,000,000	
Undivided profits	301,992	
		2,301,992
		<u>\$ 3,672,495</u>

NOTE: The charter was acquired in March, 1937, for the purpose of more satisfactorily performing certain functions in New York on behalf of the bank's clients. The capital stock, with the exception of the directors' qualifying shares, is entirely owned by the bank, and is carried in the bank's statement at a value of \$1,489,551.

Bankmont Realty Company Limited and its wholly-owned subsidiary companies

Consolidated Statement of Assets and Liabilities as at October 31st, 1967

Assets

Cash	\$ 31,342
Accounts receivable	38,108
Prepaid expenses	90,908
Real estate and buildings — at cost less accumulated depreciation	15,133,370
	<u>\$15,293,728</u>

Liabilities

Accounts payable and accrued expenses	\$ 175,181
Income and other taxes	20,545
Loan from Bank of Montreal	4,096,786
4½% debentures of a subsidiary company due May 1st, 1982 (U.S. \$6,000,000)	6,000,000
	<u>10,292,512</u>

Capital stock and earned surplus:

Capital stock —

Authorized —

100,000 shares without nominal or par value

Issued and fully paid — 100,000 shares \$5,000,000

Earned Surplus 1,216

5,001,216

\$15,293,728**NOTES:**

(1) The capital stock is entirely owned by the bank and is carried in the bank's statement at a value of \$5,000,000. During the year 19,000 shares of the company were issued for cash at a price of \$50 per share. Debentures of a subsidiary company are also entirely owned by the bank and are carried in the bank's statement at a value of \$5,891,221.

(2) Bankmont Realty Company Limited owns the entire capital stock of its two subsidiary companies, Hochelaga Realty and Development Company and The St. James Land Company Limited.

Auditors' Report to the Shareholders of the Bank of Montreal

We have examined the statements of assets and liabilities of the above controlled companies as at the dates indicated. Our examinations included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the accompanying statements of assets and liabilities present fairly the financial position of the companies as at the dates indicated.

C. W. LEACH, C.A.,
of the firm of McDonald, Currie & Co.

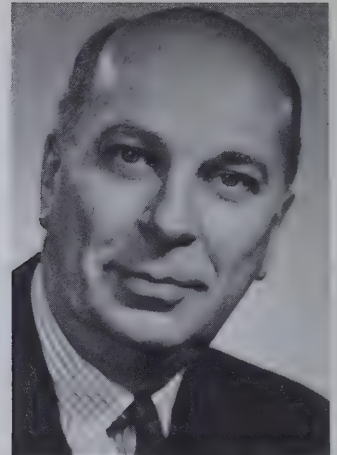
Wm. H. CAMPBELL, C.A.,
of the firm of Campbell, Sharp, Milne & Co.

} Auditors

Montreal, November 20th, 1967.



G. Arnold Hart



Advocates Rigorous Action to Fight Inflation, Calm Approach to National Unity

Rigorous government action against inflation and a calm, objective approach to Canadian unity were called for by G. Arnold Hart, Chairman and Chief Executive Officer at the Bank's 150th Annual Meeting.

Unnecessarily expansive policies by governments at all levels are adding "fuel to the fire" of inflation — Canada's "most immediate and pressing problem", Mr. Hart declared in his address. He noted that while government spending rose by an average of 6 per cent a year in the early 1960's, the rate of increase had risen to 16 per cent by 1966.

However desirable government programs may be, their objectives cannot be reached if they take up such a high proportion of output that national growth is inhibited. This would be inevitable if government financing were allowed to stand in the way of those productivity-improving investments by business needed to offset the damage of cost inflation to Canada's international competitive position.

Furthermore, with Canadian productivity running

20 per cent below that in the United States, any widespread move to wage parity faster than the productivity gap can be closed, could only have the "most serious economic consequences", and result in a loss of jobs in Canada, Mr. Hart warned.

Turning to problems affecting Canadian unity, Mr. Hart called for "a calm and objective approach", and support for "a united Canada where we can continue to live and work together in harmonious accord". As the world becomes more and more interdependent, "it seems incredible . . . that Canadians should even consider adopting within their own country a diametrically opposed course".

While there have been "faults on both sides", we should "bend every effort to develop a better understanding through continuing dialogue", between English- and French-speaking Canadians, which should not be confined to politicians, bureaucrats and academics. "It is high time that more people devoted more of their efforts to clear thinking on this matter and also to making public their views."

The text of the address of the Chairman and Chief Executive Officer follows :

Address of the Chairman and Chief Executive Officer

Ladies and Gentlemen,

During the year, Mr. Henry G. Birks, a Director since 1945, retired from the Board. Owing to a provision of the Bank Act, Mr. Birks would not have been eligible to stand for re-election at the meeting today and to provide a seat for a successor he graciously advanced his retirement by a few months. Mr. Birks, in the 22 years he has served on the Board, made a notable contribution to the affairs of the Bank and has been greatly missed.

Mr. Donald Gordon, C.M.G., President and Chief Executive Officer, British Newfoundland Corporation, Ltd., was appointed a Director in February. I am sure Mr. Gordon requires no introduction by me and we count ourselves very fortunate in having this distinguished Canadian join our Board.

It is with much regret I advise you that Mr. J. A. MacAulay, C.C., Q.C. has asked that his name be not submitted for re-election in keeping with his desire to lighten his day-to-day responsibilities. Mr. MacAulay was first appointed to the Board in 1942, was elected a Vice-President in 1953 and appointed a

member of the Executive Committee in 1959. His service to the Bank, extending over a quarter of a century, has been outstanding and we shall miss his wise counsel. I should like to express both to Mr. Birks and Mr. MacAulay our warm appreciation of their services and extend to them our good wishes for the future.

In May, I resigned as President, remaining as Chairman and Chief Executive Officer. To succeed me, Mr. R. D. Mulholland, Executive Vice-President and Chief General Manager, was elected President thus sharing some of the responsibilities of office. Mr. J. L. Walker, Senior General Manager, was appointed Senior Executive Vice-President and General Manager, the new Bank Act permitting the appointment of Vice-Presidents who are not Directors.

You will be asked today to elect one new Director and it is with great pleasure I inform you that The Honourable Pauline Vanier, C.C., P.C., has consented to stand for election.

Interdependence and Canadian Issues

I am very conscious of the honour and privilege of being in a position to address our shareholders at the 150th Annual General Meeting. When an institution reaches such an important milestone it is tempting to dwell on the achievements of the past. Certainly, much that is relevant to the present, and to the future, is to be learned from the story of a successful business organization which had already completed 50 years of service to this country when the Parliament of Canada first met, in November 100 years ago.

However, we are in an age when changes are taking place so swiftly, not only in science and in technology, but also in economics, in moral values and social attitudes, in political beliefs and in all manner of relationships encompassing the whole range of interactions between man and man, between man and his world — and even between man and worlds that are not yet his — that past experience is often a very uncertain guide to the future. Indeed, the pace of change is accelerating so rapidly that one is increasingly forced to look further and further into the future in an effort to make valid judgments about the present. This being said, it is also true that we need not look very far ahead to discern some elements of the future that are already, before the event, affecting the present in no small degree. I have in mind, for instance, the near certainty that, in the world of the future, interdependence — economic, social and cultural — will increase rather than diminish.

It is in the light of this increasing interdependence and a widening range of competitive opportunity that I should like to discuss for a few minutes some of the major political and economic issues that have been set so squarely in front of us during the past year.

Inflation and Government Spending

Inflation is surely our most immediate and pressing problem, demanding an early solution if the achieve-

ment of other national objectives is not to be placed further in jeopardy. In the world environment we face it is sheer folly for a country as dependent as Canada is on external trade for its economic growth and prosperity to conduct its affairs in such a way that its international competitive position is undermined. Quite apart, therefore, from the distorting internal effects of inflation, what is so disturbing about the behaviour of Canadian prices and costs in the past two or three years is that they have been rising so fast relative to those in most western industrialized countries. In fact, if you run down the list of our main customers — the United States, the United Kingdom, Japan and the countries of the European Common Market — you find that there is not one where consumer prices have been rising as rapidly during the period since the beginning of 1966 as they have in this country.

Last year the level of prices in general rose by close to 5% in Canada, and this year the trends indicate an equally poor performance. These rates of increase are well above those experienced in the United States, where the effect of higher costs on the international competitive position of that country is already a matter of wide concern. How much more serious cost inflation can be for Canada is evident from the fact that exports account for about a quarter of our gross national product compared with little more than 5% in the United States.

A great deal of the blame for the relatively faster deterioration of the price situation in Canada as compared with the United States — notwithstanding the fact that that country is beset with all of the pressures inherent in fighting a very costly war — must be laid on the unnecessarily expansive policies which have been followed by governments at all levels in Canada in recent years. Instead of taking steps to moderate the climate when pressure began to be clearly evident a couple of years ago, they have added fuel to the fire by ever increasing expenditures. Whereas during

the first four years of the 1960's government spending on goods and services rose by an average of about 6% per annum, in 1965 the rate jumped to 11%, last year it was 16%, and this year there has been yet another big surge.

Surely it made little economic sense in 1965 and 1966 for our governments to have been adding so significantly to demand pressures at a time when the forward momentum of the economy was already pushing it against the limits of real growth potential. And surely it makes even less economic sense in the circumstances of today to be running deficits on the scale to which our governments have committed themselves as a result of attempting to do too much too fast. In the process they have further fanned the flames of inflation, with consequences that are none the less damaging for being predictable: severe strain on capital markets and interest rates rising to unprecedented levels; expectations of higher prices of goods and services and the accompanying pressure for higher wages; squeezed profit margins which inhibit the process of capital formation; and uncertainty inherent in a situation where those who have to make decisions know that a correction in the economy must take place but do not know when or how.

The threat of serious disruption in the orderly process of economic growth which is posed by current inflationary pressures has been apparent for some time, as has the need for a great measure of restraint in the government sector if the threat is to be averted. It is true that in recent weeks the Federal Government have been showing signs that they recognize their responsibility for leadership, but the approach they have been taking is a curious one, to say the least. The series of warnings, notices of intentions about expenditure restraints next year, possibly expenditure cuts this year, possibly higher taxes, all culminating in the supplementary budget last week, has been aptly described as "a policy of shock on the instalment plan".

Now we have had the budget but are still faced with many uncertainties in the fiscal area. While we know what the tax picture is for the time being, we know neither what the government intends to do by way of cutting back current expenditures nor what the tax bite will be if they persist in their stubborn course of pushing through a universal and compulsory medicare program against the wishes of many of the provinces.

Whether the particular measures proposed last Thursday are appropriate to the circumstances only time will tell. It is certainly difficult to judge the nature of the restraint required to cut into an inflationary spiral of the sort we have been experiencing when there are already signs of slack in the economy in real terms. In the circumstances, however, and unpleasant though it may be, I think tax increases to bring government revenues closer into balance with their grossly inflated expenditures were unavoidable. At the same time, rigorous action is required by governments at all levels not just to moderate an extraordinarily rapid rate of increase in expenditures but to restrain them sufficiently to restore a more reasonable balance between the private and public sectors of the economy. In my view this is essential if the full growth potential of the Canadian economy is to be realized. However desirable most government programs may be — and I do not deny that many do have desirable social ends — these ends cannot be reached if, in the aggregate, they preempt such a high proportion of the nation's total output that growth is inhibited. And this will surely be the result if the financing requirements of governments are allowed to stand in the way of those productivity-improving investments by business that are so badly needed to offset the damage to Canada's international competitive position that is being done by cost inflation.

In this connection I am alarmed at the strength of the move that has recently been taking place towards

(continued on page 20)

Year 150 and Atlantic Provinces Division



*T. R. Francis,
Senior Vice-President,
Atlantic Provinces Division*



Now with 87 offices in its Easternmost division — compared with 36 at the end of the war — Canada's First Bank is in the forefront of the many developments which are bringing widespread change to the economies of the four Atlantic Provinces.

Historically, with Confederation at hand, the Bank was already looking for premises in Halifax in February of 1867, and in June the Bank was officially

July 17, 1967, was a key date, marking inauguration of the massive \$800 million British Newfoundland Corp. hydro project at Churchill Falls, Labrador. Destined to be the largest hydro-electric development in North America, the project ultimately will produce 34 billion kilowatt hours annually — enough power to supply ten million households. The Bank of Montreal is banker to BRINCO.

Newfoundland's Premier, Hon. J. R. Smallwood, was on hand to turn the first sod at the powerhouse site. Left to right, he is flanked by R. J. Kayser, B of M Manager, St. John's; Hon. James Sinclair, P.C., Chairman, Lafarge Cement of North America Ltd., Vancouver; J. Leonard Walker, the Bank's Senior Executive Vice-President; Donald Gordon, BRINCO President; and Arthur R. Lundrigan, Executive Vice-President, Lundrigans Ltd., Corner Brook, Nfld. Messrs. Sinclair, Gordon and Lundrigan are all Bank of Montreal Directors.

This Bank office opened on the same day in temporary trailer quarters and will serve an army of up to 7,000 construction workers.



requested "... on behalf of the Government of Canada to send officers to Saint John, N.B. and Halifax, N.S., to receive the revenue and make disbursements for the Dominion".

Branches in those principal Maritime cities were functioning by August 1 of Confederation year and have continued to this day as keystones of the Bank's broad participation in Atlantic affairs.

In Newfoundland, too, the Bank's story began at Government request. December 10, 1894, was "Black Monday" for Newfoundland. The existing commercial banks closed their doors under relentless economic pressure and the "Oldest Colony" was literally without banking facilities. The Bank of Montreal answered the call and established a branch in St. John's — the beginning of a Newfoundland organization which was to develop and expand out of all recognition. Today, the Bank has 31 offices in the Province of Newfoundland and Labrador and serves as banker to the Provincial Government.

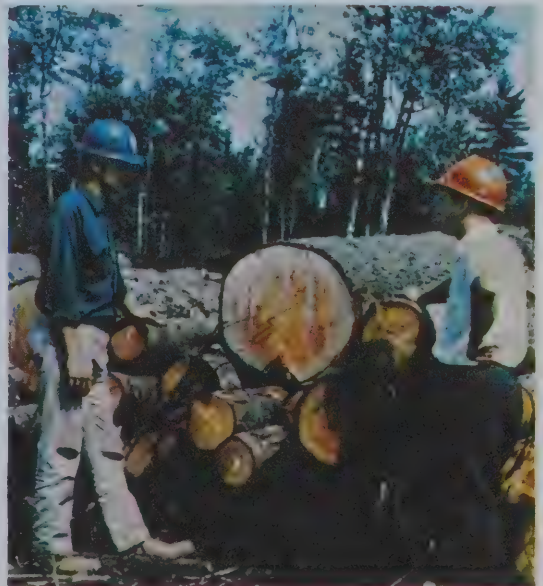
And in Prince Edward Island — smallest, but in many ways the most charming of provinces — Canada's First Bank has been represented since 1907, when Charlottetown Branch was opened, and now has three offices to serve the "Garden of the Gulf".

Today's fast-moving Atlantic Provinces Division is administered from Halifax and there are three Districts: Newfoundland and Labrador, with the District Manager in St. John's; Nova Scotia, with headquarters in Halifax; and New Brunswick and Prince Edward Island, with the District Manager at Moncton.

Halifax is headquarters for the Bank's Atlantic Provinces Division. Postwar growth of the Halifax-Dartmouth area has been exceptionally rapid, with population now approaching 250,000. Since 1945, B of M branches in the area have grown from two to twelve.

Famous for its unspoiled beaches, Malpeque oysters, and rich red lowlands, about 85 per cent of which are cultivated, Prince Edward Island produces some 16 million bushels of potatoes annually.

Forestry resources are a vital element in the New Brunswick economy. Here, G. M. Cunningham, Manager of the Bank's Newcastle Branch, right, is shown around a logging site near Doaktown, N.B., by R. J. Hovey, forestry superintendent for Acadia Pulp and Paper Ltd.



wage parity between the United States and Canada. This is a very complex issue but it seems self-evident to me that, with productivity in the Canadian economy as a whole running some 20% below that in the United States, any widespread move towards wage parity at a rate faster than the rate at which the productivity gap can be closed would have the most serious economic consequences.

Just as it is not possible, merely by legislating for increased welfare and social security benefits, for governments to decree that Canadians shall be better off, so it is not possible for the real purchasing power of wages to be increased merely by a decision that the rates paid shall be raised to numerical equality with those in the United States. I am wondering whether the result, if corresponding productivity changes are not achieved, would not be an inflation of costs and prices that would wipe out the nominal gains in wages and, in the longer run, force other adjustments to reflect differentials in output in real terms.

Even when the question is approached in relation to specific industries it can be demonstrated that a move towards wage parity in the absence of a parallel move towards parity in productivity is likely to result in a loss of jobs in Canada, stemming from either the closing of plants that are no longer profitable or a change in product mix among plants situated on both sides of the border. Thus the question of wage parity is, in my mind, but another of the major economic and political problems that have arisen this year that have to be faced in the context of increasing interdependence and competition.

The Carter Report

Yet another is the wide spectrum of issues of a very fundamental nature raised by the report of the Royal Commission on Taxation which has stirred up such a storm of controversy and so much uncertainty during the past several months. Very cogent and well-

reasoned arguments, based on a wealth of practical experience, have been advanced against many of the Commission's recommendations, and I do not propose to attempt to go over the same ground in detail.

There are, however, two general aspects of the Commission's report which must be kept prominently in mind and which justify comment in the context of my remarks today. The first has to do with the relationship between growth and equity. In my view the Commission, in developing the conceptual framework for its work, assigned the wrong order of priorities. By attaching such overwhelming importance to the objective of equity — itself a very subjective concept on which it is difficult to achieve a consensus in any society — they have relegated to a secondary position the objective of growth, and have thus run counter to the prevailing philosophy in most western industrialized countries. Philosophy apart, experience in many areas of the world, including our own country during much of our history, has demonstrated beyond any doubt that it is possible to achieve both a rapidly rising standard of living and more widespread distribution of the gains flowing from economic progress if the economy has a high-growth orientation. On the other hand, experience in some countries has shown that undue concentration on income equalization via the tax system tends to blunt incentives and thus to inhibit growth and frustrate the achievement of other national goals.

Surely the recent experience of the United Kingdom is an object lesson in this connection. During most of the period since the Second World War economic and social policies in that country have been directed more towards income equalization and the promotion of the welfare state than to productivity improvement. I think it is arguable that, even when full account is taken of the special difficulties faced by Britain in the post-war period, the relative stagnation of their economy has been due at least in

part to slowness in accepting the fact that the economic and social welfare of all is promoted more effectively in an environment which is conducive to high rates of growth than in one where top priority is assigned to equalization of economic rewards.

The other general comment I should like to make about the Carter Report relates more directly to my theme of interdependence and increasing competition. The changes proposed by the Commission are so fundamental in nature that if they were adopted Canada would indeed have a unique tax system and this, by definition, would mean that it would be different in its essentials from those in other countries. While it has long been recognized that Canada's tax structure badly needs some streamlining and rationalization, at the same time it would be manifestly unwise to introduce a system so radical that it would be seriously out of tune with those in countries with which we have close economic ties. On these grounds alone it seems self-evident that implementation of the recommendations of the Commission in their broad sweep should be approached with great caution, and I am encouraged by the recognition now given to this by the Minister of Finance.

The Kennedy Round

Time does not permit me to make more than passing reference to other issues that have come to the fore this year that demonstrate the need to look at our economic problems in the wider context of a very interdependent and competitive world. I am thinking, for example, of the extensive tariff reductions announced at mid-year following the successful completion of the Kennedy Round of Trade negotiations, which could give an even greater growth orientation to the Canadian economy. However, the efforts being made by our exporters to take advantage of the new opportunities open to them could well be frustrated if their ability to produce at internationally com-

petitive prices is undermined by further deterioration in the internal cost and price structure of the economy as a whole.

Canadian Unity

My remarks thus far have been mainly concerned with economic aspects of the Canadian environment but I should now like to touch on a situation that, while it has extremely important economic implications, is primarily of a socio-political nature. I refer, of course, to the problem of Canadian unity, and I should like to devote the remainder of this address to some personal observations on this question which is of vital concern not only to all Canadians but also to many beyond our borders.

I have already mentioned the trend today among the world's peoples towards greater interdependence. It seems incredible, therefore, that Canadians should even consider adopting within their own country a diametrically opposed course which to me would be fraught with danger. It is for this reason that I am taking the opportunity to speak out today — to plead for a calm and objective approach to the problem.

Many of us in Canada must share the blame, in greater or lesser degree, for shutting our eyes to a situation which has been building up through the decades. Now that it is out in the open, however, let us not waste time in recriminations, for there have certainly been faults on both sides, if one wishes to line up French-speaking Canadians on the one hand and English-speaking Canadians on the other. Let us rather bend every effort to develop a better understanding through continuing dialogue. This dialogue, however, will not have constructive meaning if it is confined to exchanges of views among politicians, bureaucrats and academics, since many of these, on both sides of the linguistic barrier, have been taking positions which I cannot believe reflect the views of the majority of English-speaking or French-speaking Canadians.

(continued on page 24)

Year 150 and Quebec Division



*Charles de Jocas,
Senior Vice-President,
Quebec Division*

Canada's branch-banking system is one of the main strengths of banking in this country and contributes substantially to its reputation as one of the world's "best-banked" nations.

The entire system dates back to one of the earliest decisions made by the directors of the new bank in Montreal in 1817 — to establish an agency in Quebec City quickly. The first agent was a Scotsman of

considerable reputation, Daniel Sutherland, who also served as deputy postmaster-general for British North America. In a letter of Instructions from the Cashier in Montreal, Sutherland was cautioned that "... Integrity, care and diligence will be required . . ." At the same time, Sutherland was authorized "to furnish himself with a large Wrought Iron Chest at the Expense of the Bank."



This painting by Gerald L. Sevier, one of the 38 commissioned for the two-volume history, "Canada's First Bank", depicts Daniel Sutherland, the Bank's first Quebec City agent, with local directors after an early meeting. The Bank's first Quebec City office, opened in 1817, was located at No. 3 St. Peter Street. The present Quebec Division headquarters and Main Quebec Branch are on the same street.

Château Frontenac Hotel Branch in Quebec City has recently been renovated in keeping with its stately surroundings, the better to serve the many tourists and convention-goers who stay at the famous Canadian Pacific establishment. The 45-year-old branch has seen its share of history, including two wartime meetings when Sir Winston Churchill and Franklin D. Roosevelt met in the hotel.





Thus Sutherland was in business as Canada's first branch banker, and from that beginning has sprung the present chartered banks' nationwide system of branches, now totalling some 6,000.

From Sutherland's early enterprise, too, has grown the Bank's present thriving Quebec Division, with headquarters in Quebec City and with 95 offices serving all parts of La Belle Province outside the Montreal area.

Over the years, the Bank has been a major contributor to the diversification of the Quebec economy. As large asbestos, gold and iron deposits led to the growth of newly built-up areas in the Eastern Townships, Abitibi and Temiscaming and on the North Shore, and as abundant and inexpensive hydro-electric power made possible the development of important aluminum manufacturing plants at Arvida in the Saguenay-Lac St. Jean districts, the Bank was an active and vigorous participant.

Even more recently, as a principal banker to the Government of Quebec, the Bank of Montreal has been an important factor in financing agricultural development under the Quebec Farm Loans Act and in providing Quebec Student Loans. A further vital

Quebec is the largest hydro-electric power producer among the Canadian provinces and the development known as "Manic 5" on the Manicouagan River will be the world's largest multiple arch dam when completed. As a principal banker to Hydro-Québec, the B of M has contributed importantly to developing Quebec's hydro potential — 40 per cent of the country's total.

investment in the province's future has been the Bank's widespread participation in financing improved and expanded educational facilities, with Quebec Division branches now serving fourteen of the regional school boards among many other school board accounts.

Establishment of the present Quebec Division as a separate entity took place in 1963 with the move of its headquarters from Montreal to Quebec City. The division is now made up of five districts — administering branches in Quebec City — St. Maurice; Eastern Townships — Beauce County; St. Hyacinthe — Granby — Richelieu Valley — Valleyfield — Joliette; Laurentians—Abitibi; and Saguenay—Lac St. Jean — North Shore — St. Lawrence — Gaspé.

While the strength of feeling evident in discussion of this question clearly indicates that a great many Canadians care deeply about the future of their country, the question is far too complex to be approached on a purely emotional level. I think it is high time that more people devoted more of their efforts to clear thinking on this matter, and also to making public their views. For it is only through communication that we can get to the basis of our differences. Yet we cannot communicate properly if we cannot understand one another. I have been appalled during the past few years at the number of incidents that have been blown up out of all proportion simply because a word or a phrase has been misinterpreted.

What I am leading up to is that, by and large, we Canadians have not fully recognized the desirability of learning two languages, not for the purpose of appeasing one group or another, but rather to broaden our culture, give us better understanding and fit us more properly for the environment in which we live. I am afraid English-speaking Canadians have been somewhat diffident about learning a second language and I am as guilty as the next person in this respect. Those of us who speak only one language, however, are the poorer for it, and in my opinion this area requires urgent attention if the generation entering school now, and those in the future, are to gain the better sense of appreciation and perspective that two languages can provide in the place of one.

This being said, I do not for one minute believe that complete bilingualism in every part of Canada is a practical proposition, or even that this is necessary to achieve the goal of a united and progressive Canada. However, it seems to me that facilities should be available for all Canadians to learn the other language if they wish, and for Canadians living in any community in Canada where both language groups are significantly represented to be able to send their children, without penalty, to schools where the

language of instruction is the language of their choice, whether that be French or English.

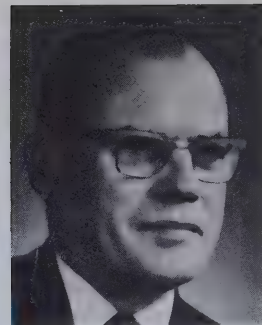
This would not, by any means, solve all of our problems, but I firmly believe that one of the root causes of our misunderstanding has been the communications barrier. While I realize that better education in each other's language is only a first step, it is an important one and I am confident that it will lead to others if we are willing to broaden our perspective and look more into the future than into the past.

No country has a greater potential than Canada and, as an outstanding example of what Canadians can achieve by working together, one has only to look at Expo '67 — that marvel of enterprise conceived, constructed and conducted on Canadian soil which has received such acclaim throughout the world. Even more important, in my opinion, is the effect that Expo '67 has had on Canadians themselves. What a deep sense of pride every citizen of this country must have felt when he or she saw the film "Canada '67" in the Telephone Pavilion at Expo, and I share the hope often expressed by His Worship Mayor Jean Drapeau that everyone in Quebec and the rest of Canada see this sweeping panorama of our country, so that all of us can better appreciate the foundation of Canada's future and opportunity. One would have to be cold-blooded indeed not to have been moved by this spectacle.

My travels in many parts of the world have strengthened my belief that we Canadians have a great deal to be thankful for. We live in a wonderful country with unbounded opportunities for material improvement and human betterment and I am firmly convinced that our future can be just about as bright as we wish to make it. I therefore make no apology for speaking as I have today and I sincerely hope that a multitude of other voices will be raised publicly in support of a united Canada where we can continue to live and work together in harmonious accord.



Year 150 and Montreal Division



*D. B. Peters,
Senior Vice-President,
Montreal Division*



The rapidly developing central core of Montreal is seen in this aerial picture of the Dominion Square—Dorchester Boulevard area. More than half of the major buildings shown did not exist a decade ago, but old or new, the Bank of Montreal was "in on the ground floor" in a large proportion. Clockwise from upper left is the headquarters of the Sun Life Assurance Co., where the Bank's branch opened in 1940; the dark skyscraper in the centre background is C-I-L House, completed in 1962, headquarters for Montreal Division and with a major branch at street

level; and to the right again, is the substantial "tiered" Bell Telephone Co. building, one of Montreal's first skyscrapers, accommodating a B of M branch since 1929. The large square block below the Bell building is Place Bonaventure, Canada's largest trade mart, where a B of M branch opened on May 1 of this year; and in the centre foreground is the CPR's Place du Canada, with the gleaming white tower of the Château Champlain and adjacent office building, with its entire plaza level occupied by an important branch opened in June (inset picture).

A century and a half ago, Montreal was a community of 20,000 — vastly different from today's metropolis with a population of some 2,500,000.

Commercial life centred on St. Paul Street in the area now preserved and protected as "Old Montreal", where businessmen of the day lived and entertained each other above their stores. At the time, twenty-two new streetlights — the city's first — were still conversation pieces in the city. They had been installed so "the ladies might be induced to visit their friends more frequently".

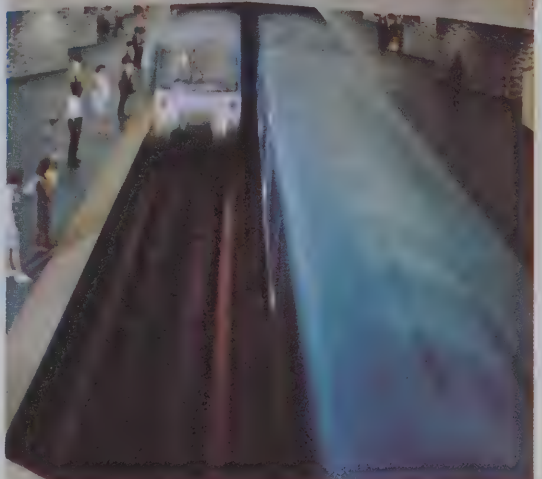
Here it was on St. Paul Street, in temporary rented quarters, with a staff of seven and original capital of \$150,000, that the long story of Canada's First Bank began on November 3, 1817. From that single Montreal office of 150 years ago has grown the Bank's present-day Montreal Division, which now comprises 102 offices of all types and employs a staff of more than two thousand men and women to serve the uniquely cosmopolitan area of Greater Montreal.

The Division's headquarters are located high in C-I-L House, one of the city's most important Dorchester Boulevard skyscrapers. In addition to the Main Montreal Office on Place d'Armes, the Division's branches are grouped into five districts: Central, West-Central, West, North and East.



This painting by Georges Delfosse depicts the first building in Canada designed especially for banking purposes, which was completed by the Bank of Montreal early in 1819. It was occupied until 1848 when part of the present "domed" building — still a Montreal landmark — was occupied. The present head office building, completed in 1960, stands on the site of the original 1819 building.

From the days of Canada's first railroad — the Champlain and St. Lawrence, linking St. John's and La Prairie in 1832 — Canada's First Bank has been closely identified with transportation development. In 1967, clocks like this one beneath Montreal's luxurious theatre-concert hall complex, Place des Arts, were installed throughout "Le Métro", Montreal's showpiece subway system which features rubber-tired cars and spectacular contemporary architecture.



J. Leonard Walker



New Highs Across the Board Recorded in 150th Annual Statement

For the first time, revenue and expenses figures and accumulated appropriations for losses appeared in the Bank's Financial Statement, presented to shareholders at the 150th annual meeting by J. Leonard Walker, Senior Executive Vice-President and General Manager. The report also showed that assets, deposits, loans and earnings all attained record levels.

Mr. Walker reported that total assets increased by \$642,000,000 to reach \$6,132,000,000, the largest dollar increase in the Bank's history. Deposits reached \$5,608,000,000 — representing a 12 per cent growth for the year. Loans increased 14.5 per cent to a total of \$3,829,000,000.

Net profits after taxes amounted to \$20,720,444, of which \$15,795,000 was provided for payment of dividends to shareholders at the rate of 52 cents per share. The balance of \$4,925,444 was added to Un-

divided Profits for the year, bringing the total in that account up to \$6,870,245. From this amount, \$5,000,000 was transferred to the Rest Account. Capital funds including Rest Account and Undivided Profits totalled \$235,620,245.

Commenting on the additional information incorporated in the Financial Statement following revision of the Bank Act, Mr. Walker noted that accumulated appropriations for losses showed a net increase of \$7,000,000 to \$75,000,000 after provision for losses on loans and for the reduction of the book value of securities. The statement of revenue and expenses published for the first time in 1967 indicated total revenue for the year of \$342,000,000 against \$300,000,000 in 1966; while total expenses of \$290,000,000 compared with \$249,000,000 a year earlier.

The text of the address of the Senior Executive Vice-President and General Manager follows:

Address of the Senior Executive Vice-President and General Manager

Mr. Chairman, Ladies and Gentlemen,

The Bank's 150th Annual Statement, which I have the honour to present to you today, reflects continued growth in all aspects of our business.

As a result of the revision of the Bank Act, which became effective May 1st, additional and more detailed information on the operations of the Bank has been included in our 1967 statement, and in the course of my remarks I shall be making special reference to some of the items which appear for the first time. For comparative purposes, the statement also includes last year's figures in the new format.

Subdivision of Shares

Before commenting on the financial statement, however, I should like to record that the special meeting of shareholders held on June 20th author-

ized a subdivision of our shares on a five-for-one basis as permitted under the new Bank Act. There has been a steady increase in the number of shareholders for many years and one of the main purposes of the subdivision was to encourage still broader investor participation. During the year the number of shareholders grew from 25,947 to 28,773, with 25,105,000 of our 30,375,000 shares being registered in Canadian names as at October 31st, 1967.

Revenue, Expenses and Undivided Profits

Turning to the Statement of Revenue, Expenses and Undivided Profits, you will notice that this statement has been expanded to enable the revenues

and expenses of the year's operations to be reported in more detail. Aside from the two items that pertain to what was previously referred to as the Bank's "Inner Reserves" which I shall cover when discussing the Statement of Accumulated Appropriations for Losses, I think you will find that the new items are self-explanatory.

Our net profits for the year, after provision for income taxes, amounted to \$20,720,444. It was considered appropriate to mark the Bank's 150th Anniversary with the declaration of a special extra dividend which, together with other disbursements to our shareholders during the year, amounted to \$15,795,000, representing 52¢ a share in comparison with declarations which, on a comparable basis, totalled 47½¢ a share in the fiscal year 1966.

A balance of \$4,925,444 has been carried to Undivided Profits bringing the total in that account to \$6,870,245. From this amount a transfer of \$5,000,000 was made to Rest Account, which now totals \$173,000,000, leaving an undivided profit figure at the year end of \$1,870,245.

Accumulated Appropriations for Losses

I should now like to take a moment to discuss with you the Statement of Accumulated Appropriations for Losses, which is being published for the first time this year in accordance with the requirements of the new Bank Act.

This Act gave formal recognition to the need to include in current operating expenses a provision for losses on loans. Thus, in accordance with the Act, the item "other operating expenses" which appears in our Statement of Revenue, Expenses and Undivided Profits includes a provision for losses on loans based on the 5-year average loss experience of the Bank. The purpose of basing this element of expense on a 5-year average is, of course, to avoid the undue distortion that would occur if the total

annual provision for losses, a figure which is bound to fluctuate widely from year to year, were charged against current operating expenses.

You will observe from the Statement of Accumulated Appropriations for Losses that, in 1967, we have made a provision for losses on loans of \$373,945 in addition to the amount charged to current operating expenses.

In explanation of the substantial amount of \$7,811,695 which was added to accumulated appropriations for losses during the year 1966, let me say that a decision was made to transfer an amount from our primary specific, to our secondary general, appropriations account, as losses did not materialize to the extent originally expected.

May I emphasize that we make specific appropriations as soon as we foresee any possibility of loss. Thus the current year's provisions cover not only losses which have been realized, but any and all doubtful accounts on our books.

The Accumulated Appropriations for Losses account shows our general appropriations position, and this year we have added an amount of \$10,760,095 from the balance of revenue before taxes. Our accumulated appropriations have been drawn down by \$3,255,299 to provide for the reduction of the book value of securities held as at October 31st, 1967. You will appreciate that as market interest rates have risen bond prices have fallen, and the charge to accumulated appropriations enables us to carry our securities in the balance sheet at a value not exceeding market. It will of course be realized that if and when market interest rates decrease, the price of our holdings will appreciate, and to that extent reversals of these appropriations would then be made. Only securities other than those issued or guaranteed by the governments of Canada and the provinces are treated in this manner, federal and provincial securities being carried on an amortized basis as prescribed in the Bank Act. Part of the

amount used to write down our security holdings was drawn from tax-paid appropriations.

General Statement

As at October 31st total assets of the Bank reached the record level of \$6,132,000,000. It is gratifying to note that the increase of some \$642,000,000 recorded in our 150th year represents the largest dollar increase in any single fiscal year in the Bank's history. In line with sound banking practice our liquid position has been well maintained throughout the year.

Deposits

Total deposits of the Bank at the end of the year were \$5,608,000,000 an increase of \$613,000,000, or 12 per cent, over the previous year end. Personal savings deposits rose by \$246,000,000 to \$2,553,000,000, while other Canadian dollar deposits increased by \$337,000,000 to \$2,137,000,000. In currencies other than Canadian, deposits increased by \$30,000,000 to reach \$918,000,000.

Competition for deposits, while keen throughout the year, intensified after the new Bank Act came into force at the beginning of May. The easing of restrictions on the rates that may be charged on loans made it possible for the Bank to offer better terms to depositors and at the same time to maintain a reasonable relationship between the average cost to us of obtaining funds and the average income from their use.

Although the response of the chartered banks to the new opportunities for competition was both prompt and vigorous, it is too early as yet to say whether the freedom granted by the Bank Act revision will result in a reversal of the post-war trend which has seen a gradual decline in the chartered banks' share of Canadian deposit funds and a corresponding increase in the share held by non-bank financial institutions.

Investments

As at October 31st our total holdings of securities stood at \$1,185,000,000, up \$138,000,000 over the figure at the end of the preceding year. While most of this increase was in Government of Canada obligations, each category of our investment portfolio is nevertheless in higher figures than a year ago.

We have continued, as in the past, to give careful attention to the spacing of maturities and to the improvement of investment income. What we have achieved this year reflects not only net additions to the portfolio at very satisfactory yields, but also the yield advantage obtained on re-investment of holdings which have matured.

Loans

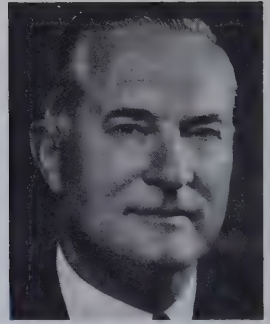
Demand for credit continued strong throughout the year and there was a high level of activity in the Bank's borrowing accounts. We found it necessary to follow a policy of restraint in the first quarter but for most of the balance of the year it was possible to satisfy the normal requirements of our customers. In the year our total loans including mortgages showed a gain of \$485,000,000 and totalled \$3,829,000,000 as at October 31st, 1967, while the number of borrowers increased by some 7 per cent.

The coming into force of the new Bank Act, with its provision for freeing the rates banks could charge for loans, brought about a realignment of interest rates in a much more competitive market. The Bank of Montreal led the way among all the banks in announcing a reduction in its prime rate, that is the rate charged borrowers of undoubted credit-standing, large or small, for those loans which fall into the banks' fundamental lending field, the provision of short-term commercial credits.

On the other hand we have been able to take full advantage of the freedom permitted to assist our customers in situations where, because of lengthy

(continued on page 34)

Year 150 and Ontario Division



*E. A. Royce,
Senior Vice-President,
Ontario Division*

When Canada's First Bank began in 1817 its founders were already looking westward from Montreal. One of their earliest minutes records discussion on "the most eligible mode of establishing an agent or agents at York and other places in Upper Canada with a view to putting our bills into general circulation in that quarter".

Thus on June 16th, 1818, agents were appointed for York (now Toronto) and Kingston. At the time York had a population of less than 1,000 — mostly fur traders and lumber workers — while Kingston was a garrison town of 2,000.

From those beginnings — despite great difficulties between 1823 and 1838 — has evolved the Bank's

York's pioneer settlers were still bartering with the Indians when the B of M inaugurated the first banking services there in the summer of 1818 — 16 years before incorporation of the City of Toronto. In this Roy Hewetson painting, the Bank's first agent, William Allen, conducts a visitor from Head Office to his house on what is now Front Street. As well as serving as Bank agent, Allen was York's postmaster, customs inspector and a successful merchant.

present Ontario organization, largest of its Canadian divisions, with 351 offices and staff of over 5,400 men and women.

From earliest days, the B of M has grown in Ontario as Ontario itself has grown. Today the Bank participates in virtually every segment of a provincial economy which is abundantly rich in natural resources, fertile agricultural land, base and precious metals, timber and pulpwood, vast sources of water power and, above all, in dynamic, energetic people, already numbering close to 7,000,000.

The pace and diversity of Ontario's expansion, particularly in the postwar years, has meant unusual demands on the Bank as it has sought to be increasingly competitive in the short term and to anticipate future needs with adequate planning. As a result, last year's Bank reorganization was even more complex in Ontario Division than elsewhere, with the establishment of three geographical regions, each under its own Vice-President, in order to direct no fewer than 15 district groups of branches.





The appointment of a new President of the University of Western Ontario, Dr. D. Carlton Williams, Ph.D. (left in top picture) and a new Chairman of the Board of Governors, A. E. Shepherd, Q.C., centre, gave E. J. Kelleher, Vice-President, Western Ontario Region, an opportunity to combine business with pleasure on a visit to the campus at London, Ontario. Western is an old established connection of the Bank.

Above, John B. Lesslie, Vice-President, Eastern Ontario Region, left, and K. G. MacLuckie, the Bank's District Manager for the area, are shown around the new Bracebridge plant of Corning Glass Works by the Plant Manager, Maurice G. Locklin.

Symbolic of Toronto old and new, and of the Bank's close association with both, was the presentation (right) of one of R. D. Wilson's drawings, "Old and New City Halls" to William R. Allen, Q.C., Chairman of the Municipality of Metropolitan Toronto accompanied by one of the city hall guides, Miss Anne Watson. Making the presentation of the original drawing from the Canada Centennial Tableau on behalf of the Bank is Fredric P. Baines, Vice-President, Central Ontario Region.

A unique circular design features the Bank's Bramalea Branch (below) opened in June. The branch is the hub of a new commercial centre, with stores stretching outwards in two arms. It serves the ultra-modern planned community built by Bramalea Consolidated Developments near Toronto which has attracted world-wide attention among town planning authorities.



(continued from page 31)

repayment provisions or other special factors, a higher rate of interest was warranted. The record increase in our loans during the past year, however, indicates that the whole spectrum of our rates has been most competitive. Despite the general rise in interest rates throughout the economy we felt that prime loans warranted a rate of 5¾ per cent, and this rate was maintained until two weeks ago when the Bank Rate set by the Bank of Canada was increased to 6 per cent. In response to this situation our prime rate was moved up to 6 per cent, but we feel strongly that we have a responsibility not to raise interest rates indiscriminately.

Upon the revised Bank Act coming into force, we again became active in financing residential properties under the National Housing Act, and also by way of conventional mortgages. Considerable progress has been made and heavy commitments are outstanding covering houses that have been projected or are under construction. May I just note that we have made a special effort to provide funds for housing units in areas where mortgages were not always readily available in the past. I think it is also worthy of note that when the maximum interest rate allowed on NHA mortgages was raised to 8¼ per cent early this fall, we saw fit to hold our rate to 7¼ per cent, which is recognized as one of the fairest rates being offered by mortgage lenders.

International Business

With Canadian foreign trade reaching record levels the Bank handles a larger volume of international transactions year by year and provides increasingly important services to exporters and importers through its branches in Canada and 17 offices abroad. The latter will be augmented early next year with the opening of a branch of the Bank of Montreal (California) in Sacramento, the state capital, thus broadening our representation in that very important area.

Our affiliate, the Bank of London & Montreal Limited, is continuing an aggressive programme of opening strategically located offices in the countries in which it is represented in the Caribbean area. It now has a total of 39 offices with several others scheduled to open in the near future.

Bank Premises

As at October 31st, 1967, the balance of Bank Premises Account, after allowance for depreciation, was just over \$79,000,000, an increase of some \$5,000,000 during the year. With the sale of 4 branch buildings to Bankmont Realty Company Limited for some \$1,500,000, a total of 31 properties representing in excess of \$15,000,000 have now been registered in the name of this wholly-owned real estate holding company and its two subsidiaries.

Once again, rising costs, work stoppages and a limited supply of skilled labour have all contributed to construction difficulties. Nevertheless, in the period under review a total of 23 new buildings were completed, with another 20 under construction or in various stages of development. With the growth of the country generally and the important re-development of metropolitan areas, our programme of replacing, enlarging and renovating premises that do not meet our present-day standards will remain a large and continuing undertaking.

New Services

In this key year of 1967 the Bank has become a more strongly market-oriented organization. We have placed special emphasis on providing the best possible service to customers, both commercial and personal, and on actively seeking new ways to meet their needs in the financial field. The research undertaken by our marketing organization, which now has departments working in every domestic division, and the programmes developed therefrom, have enabled

the Bank to come up with a number of important "firsts" during its anniversary year.

In the lending field, I have already mentioned our leadership in reducing our prime rate. The Bank of Montreal was also in the forefront of the move to increase the rate of interest available to depositors and in this connection we have developed two new types of accounts embodying many customer-oriented features. In addition to regular savings accounts, current accounts, term deposit receipts, certificates of deposit and bearer deposit notes, we now have "True Savings Accounts" and "True Chequing Accounts". The True Savings Accounts, which have no chequing privileges, now pay 4½ per cent interest.

Another Canadian first for the Bank of Montreal in 1967 has been the introduction of BANCARDCHEKS. Combining the advantages of travellers' cheques and credit cards, BANCARDCHEKS are guaranteed as to payment like travellers' cheques, but are not paid for in advance and include the revolving credit features of credit cards.

The Bank of Montreal was also, I am proud to say, the first Canadian chartered bank to adopt a policy of featuring "customer convenience hours" at its branches. Geared to demonstrated customer needs, the extended hours of business were instituted during November 1966 at 33 pilot branches. The favourable reaction of the public has led to the implementation of this service at 280 of our branches all across the country, in each case designed to meet the specific needs of a specific area. This policy will be continued and customer convenience hours will be provided at additional branches as the needs of the public dictate.

During the past year, 30 new branches and 9 sub-agencies were opened while 2 branches and 5 sub-agencies were closed. At the year end our offices in Canada and abroad numbered 1,033, of which 933 were regular branches, 94 sub-agencies and 6 offices of representatives.

The Bank also took an active part in Expo 67 and our office in the International Trade Centre on the Expo site welcomed and assisted more than 5,000 visitors from all parts of the world.

Centennial Projects

The Bank has made a special effort to play its full part in celebrating Canada's Centennial and at the same time mark the fact that this year is the Bank's 150th Anniversary.

The first of five major programmes to come to the public's attention was the Bank of Montreal Centennial Scholarship Plan which has resulted in the granting of 126 university scholarships since 1960. The plan culminated this year when two students, one each from the humanities and sciences, were awarded centennial fellowships to assist them in achieving doctoral degrees at the universities of their choice.

The Bank's second project was the commissioning of Richard D. Wilson to provide a pictorial record of Canada in its centennial year. By the end of 1967 over five hundred sketches of scenes from coast to coast will have been produced by Mr. Wilson, who, I might add, has seized every opportunity to create goodwill for the Bank.

The Bank of Montreal Canada Centennial Farm Leadership Awards competition was a third project. These awards, numbering fifty and valued at \$2,000 each, have been given to farmers from coast to coast to enable them to carry out projects designed to benefit agriculture in their communities, and to make the results of their work publicly available.

Another major undertaking was the production of a new history of the Bank of Montreal. The first volume of "Canada's First Bank" was published a year ago and the second and final volume has just been made available. The reaction from the public

(continued on page 39)

Year 150 — Manitoba and Saskatchewan Division



*H. L. McKay,
Senior Vice-President,
Manitoba and Saskatchewan Division*

When the first train pulled into Winnipeg (from St. Paul, Minn.) in 1878, Canada's First Bank was "waiting on the platform". For Campbell Sweeny, one of the great pioneers of Canadian banking, had opened for business the year before. He had no safe at first, so Mr. Sweeny and his accountant acted as walking vaults with the Bank's cash in their pockets after hours.

By 1881, when the CPR's main line crossed the Red River into Winnipeg, the city's future as transportation hub and financial centre for the entire Prairie region was assured.

West of Winnipeg, the first office of any chartered bank was the B of M's Regina Branch, opened in 1883, a few months after the founding of the settlement and 22 years before the Province of Saskatchewan entered Confederation. Since those pioneering days, the Prairie grasslands have been sown with wheat and other grain and now produce immense crops every year. Similarly, the buffalo herds of early days have long since given way to prime beef cattle.

In Manitoba, the greatest current expansion is northward as new mines, smelters and refineries are developed.

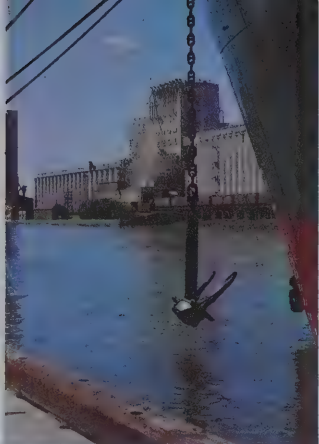


Courtesy Glenbow Foundation, Calgary

Winnipeg was an isolated frontier settlement of 4,000 people when the Bank of Montreal opened its first branch there in 1877. Contact with the outside world involved an arduous 500-mile voyage from St. Paul, Minn., by stern-wheel steamer and ox-drawn Red River cart. After the coming of the CPR main transcontinental line, it quickly became the principal distribution point and financial centre for the whole Prairie region.



Manitoba's manufacturing industry produces goods worth close to one billion dollars annually, covering a wide range of industrial and consumer products. Slaughtering and meat packing is the largest single industry, illustrated by this vast Winnipeg complex of stockyards and packing plants. A focal point for air, rail and highway traffic across Canada, Winnipeg supports about three-quarters of Manitoba's manufacturing industry.



In Saskatchewan also, minerals are playing an increasingly important part in the economy. For potash alone, outlays for mine development and plant installation of close to \$300 million are projected during the next four years. Even so, agriculture remains the largest industry, with two-thirds of all Canada's wheat coming from this single province.

The Bank in the region has grown from 17 offices half a century ago to 137 today — 65 of them in Saskatchewan, 64 in Manitoba and eight in the Lakehead area of Northern Ontario. Since reorganization of the Bank in 1966, the Senior Vice-President at Winnipeg has five districts under his jurisdiction — Suburban Winnipeg — Lakehead; Central Winnipeg — Northern Manitoba; Brandon — Yorkton; Regina — Southwestern Saskatchewan; and Saskatoon — Northern Saskatchewan.

At Port Arthur, Ont., the hull and anchor of a Norwegian ocean-going freighter, 2000 miles from the sea, frame towering Lakehead elevators that store mountains of golden Prairie wheat.

Rolling fields of Prairie wheat and other grain crops stretch as far as the eye can see. In many years these crops constitute Canada's most valuable export.

The Avord Tower building in Regina, completed this year, accommodates an important B of M branch in the newly-developing area of the city to the south of the long-established business district. The 17-storey building is Saskatchewan's largest.



Year 150 and the Pan-Am Games



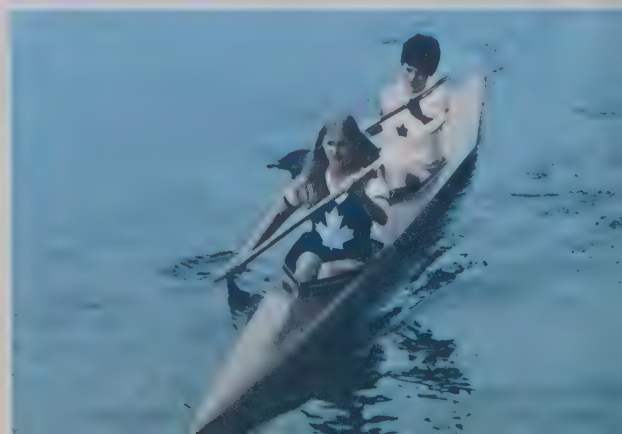
Canada's First Bank was on hand in style when 2,500 athletes from more than 20 nations throughout the Americas converged on Winnipeg for the Pan-American Games, the major sports event of Canada's Centennial year.

Close to Pan-Am Village, where the contestants lived, two B of M branches provided Spanish-speaking personnel and longer hours, including Saturday service. Higgins Avenue and Main Street Branch, close to the Royal Alexandra Hotel, provided similar service for the large press contingent.

All branches distributed special B of M map folders pinpointing places of interest to many of the 500,000 visitors to the "Olympics of the Western Hemisphere".

Contestants from Trinidad and Tobago receive a warm welcome from E. J. Cote, Manager of Tuxedo Branch. This office, and Academy Road and Lanark Street Branch, provided special facilities for athletes living at nearby Pan-Am Village.

Betty-Anne Gowans, a stenographer at Montreal Main Office, was a successful participant on Canada's team at the Winnipeg games, bringing home two silver medals, one for tandem kayak and one for fours. Miss Gowans later won gold and silver medals in the Canadian Canoeing Championships at Expo, and a further silver medal a week later in the North American event, also in Montreal.



(continued from page 35)

has been excellent — it is surely noteworthy to see the title of a company history in the best seller lists — a testimony to the author, Merrill Denison, who has, we believe, made a lasting contribution to Canadian economic and banking literature.

Finally, as a result of the commissioning of a series of paintings to illustrate the two-volume history, the Bank now has an historical art collection consisting of 38 paintings by contemporary Canadian artists. This summer the collection was exhibited at a number of points across Canada from Charlottetown to Vancouver and received numerous compliments.

Reorganization and Development

Mention was made at our last Annual Meeting of the extensive reorganization which had been taking place. Since that time we have substantially completed our programme of administrative reorganization which has enabled us to make important strides in decentralizing much of the decision-making authority in the Bank. In addition we have been able to implement new operating techniques that we feel will have an important bearing on future operations. Major changes of such a nature can never be achieved without difficulty and they have necessitated extensive training to bring our people up to date on new procedures. By now, however, many of the problems of adjustment are behind us.

Developments in Data Processing included installation of new System 360 equipment at our centres in Vancouver, Toronto and Montreal. Authorization has also been given for the purchase and installation of a further System 360 at Calgary, Alberta, which will go into operation during the coming year, and studies are under way to determine the feasibility of installing computers in other centres.

Personnel

During the past year we have continued to make progress in modernizing our salary administration policies and in promoting understanding of our new employee policies and practices throughout the Bank. Following a study by our consultants of current competitive remuneration in Canadian business and industry, we have again advanced the general level of salaries. This year, total salaries, pension contributions and other staff benefits, including a special bonus marking the Bank's 150th Anniversary, increased by \$11,325,000 — or 15 per cent as against an increase of 9½ per cent in 1966 — with only a minor portion resulting from a rise in the total number of staff. We have recently revised our hours of work and our overtime pay policy, the added cost of which is expected to exceed \$1,000,000 annually.

Since the decision was made to adopt more modern administrative and management practices in the Bank, one of our oft-repeated tenets has been that our employees should share in the benefits of increased efficiency. We believe our record has amply demonstrated our determination to follow this policy and I can assure you it will prevail in the future.

With the multitude of changes we have been making in our organization and business methods, and because of the impact of a more competitive climate, the past year has been an extraordinarily difficult period for the 17,000 men and women who work for the Bank. They have carried an extremely heavy work load, while being subject to the pressures of understanding and implementing new services, new programmes and new methods. The accomplishments of our people at all levels and their dedication under extremely arduous conditions merit the warmest admiration, and I would like to express my own deepest appreciation and gratitude for their outstanding work during the past year.



Year 150 and Alberta Division



*J. Buckley Jones,
Senior Vice-President,
Alberta Division*

When the Bank's Alberta story began in 1886, Calgary was still called "Fort Calgary" in much of the old Northwest, although it had been a town for nearly three years and was already home to 1,200 people. The B of M's original manager — 30-year-old Arthur Braithwaite from Hamilton, Ontario — got right down to business and made an immediate name for himself by lending the new town \$6,000 to buy fire-fighting equipment after a fire had "cleaned out a number of shanties and grog shops".

Thus began the Bank's participation in the evolution of Alberta. Edmonton Branch opened in 1903 and others followed progressively over the years to

build the present organization of 109 offices throughout the province, as units of the Bank's Alberta Division, with headquarters in Calgary.

Today, Alberta presents a picture of solid prosperity based on a strong and diversified economy, with oil and gas, cattle, grain crops, mineral development and tourism as its principal components.

Ranching started in the '80's with leasing of vast tracts of Indian land and grain began to be grown commercially in the same decade. From these small beginnings, Alberta's total farm income from major sources has grown enormously, reaching \$683 million in 1966, a 56 per cent increase in the decade since 1956, and 137 per cent since 1946.

Alberta's multi-million-dollar petroleum industry dates back to 1914, with minor production in that year at Turner Valley. The real breakthrough came in 1947, however, with the original Leduc discovery. Maintaining a high level of investment in exploration and development, the petroleum industry has provided depth and breadth to Alberta's resource base, with this year's oil and gas income likely to exceed \$800 million.

For the future, the industry anticipates further important growth in the Rainbow-Zama Lakes area and synthetic oil production from the Athabasca tar sands.

This painting by Robert D. Symons from the second volume of the history, "Canada's First Bank", shows a fall cattle drive in Southern Alberta in the early 1900's. Prime beef cattle remain Alberta's second most valuable product and the Bank participates broadly in this segment of the provincial economy, as in all forms of Alberta agriculture. With strong branch representation in rural areas, B of M men are closely integrated in Alberta's agricultural communities.



Flying by small aircraft to remote oilfields in Northern Alberta is all part of the job for W. G. Campbell, Manager of the Bank's Oil and Gas Department, which has just moved into new offices in the Chevron Standard Building in Calgary. Mr. Campbell and Assistant Manager B. M. Miles are both petroleum engineers and bring to oil men valuable experience in both petroleum and banking. The department maintains constant liaison with the Bank's office in Houston where R. C. Howard is Resident Representative.



The Bank is an old hand at providing first banking facilities in Canada's frontier communities like this office operating temporarily from a trailer at oil-rich Rainbow Lake, 400 miles northwest of Edmonton. The Banff Oil Ltd. development there is expected to lead to a well-planned permanent community.



A key to the success of the 55-year-old Calgary Stampede has always been the whole city's participation in the celebrations. Calgary Main Branch is no exception, and this year, with Canada's Centennial and the Bank's 150th anniversary to celebrate, the branch threw itself wholeheartedly into the spirit of things.



Other Business of the Meeting

- **Adoption of Directors' Report**
- **Appointment of Auditors**
- **Appointment of Proxies for Controlled Companies**
- **Amendment to Shareholders' By-law No. IV.**
- **Enactment of Shareholders' By-law No. XIV.**
- **Vote of Thanks — Election of Directors and Officers**

Following the addresses, Mr. R. D. Mulholland then moved, seconded by Mr. George W. Bourke, that the report of the Directors, as read, be adopted and that the Report, together with the Statement of Assets and Liabilities as at October 31st, the Statement of Revenue, Expenses and Undivided Profits and the Statement of Accumulated Appropriations for Losses, both for the financial year ended in October, be printed and distributed among the Shareholders. The motion was carried unanimously.

The Hon. James Sinclair, P.C., moved, seconded by The Hon. Eric Cook, Q.C., that Messrs. Campbell W. Leach, C.A., and Lionel P. Kent, C.A., be appointed auditors of the Bank for the ensuing year, and that a ballot for the auditors be taken at the same time as the ballot for directors is taken. The motion was carried.

Mr. J. Bartlett Morgan moved, seconded by Mr. Ralph B. Brennan, the resolutions appointing the necessary proxies for the Bank at meetings of controlled companies. These were unanimously adopted.

Mr. D. R. McMaster, Q.C., moved, seconded by Mr. Forrest Rogers, that "clauses (a) and (c) of By-

law No. IV of the By-laws enacted by the shareholders be amended by striking therefrom the figure 50 wherever it appears in those clauses and substituting therefor the figure 51."

The motion was carried.

Mr. Donald A. McIntosh, Q.C., moved, seconded by Mr. Arthur R. Lundrigan, that "the following be enacted as Shareholders' By-law No. XIV:

" 'The directors are hereby authorized to appoint from among their number an Executive Committee of not less than five nor more than fifteen of whom a majority shall be directors who are not officers of the Bank serving it on a full-time basis, and to delegate to such Committee all powers of the directors, to be exercised only when the Board of Directors is not in session, except:

(a) the power to elect or remove any person to or from any office within the elective power of the directors;

(b) the power to fill vacancies in the Executive Committee or in any office within the elective power of the directors;

(c) the power to enact, repeal or amend any by-law which the directors may make; and

(d) any power with respect to which the directors themselves may make any rule or restriction.' "

The motion was carried.

Mr. W. S. Kirkpatrick moved, seconded by Mr. Lucien G. Rolland, "that the thanks of the Meeting are hereby tendered to the Senior Executive Vice-President, the management Vice-Presidents and all other officers and employees for their services during the past year."

Speaking to the motion, Mr. Kirkpatrick said:

"It is very apparent from the statements and reports presented at this meeting that 1967 has been a year of pronounced progress, development and growth — a most positive salute to the one hundred and fiftieth year of the Bank's operation. The statistical evidence of this growth lies in the all-time record highs attained in 1967, in assets, loans, deposits and earnings. This improving on the previous year's performance is not, by any means, a new experience for our Bank, as comparative figures for the last few years so definitely show. However, I do hope that the shareholders and customers of the Bank have duly noted the very sub-

stantial rise this year in the rate of increase in many of the vital statistics presented. Undoubtedly, the staff of this Bank are setting a most commendable standard of performance for themselves, and I can think of no more eloquent testimonial to the competence of their work.

"In a highly competitive era, in a highly competitive business, such as banking is in Canada, this high standard of performance, as we all know, does not just happen—it is not a sort of lucky phenomenon that occasionally occurs. It is brought about by vigorous leadership and effective motivation at all levels throughout the organization.

"As I am sure all present are aware, late in 1966, after many months of preparation, a carefully planned campaign commenced to improve the general administration throughout the Bank. The major emphasis was to ensure that each employee had a clear understanding of his specific responsibilities, what was expected of him, and the importance of his particular job to the Bank's general policies and overall objectives. Greater authority and independence of action, with a suitable measure of supervision and understandable accountability was established in the various offices. This was taken in their stride throughout the Bank's 1,000 offices, and the results for the year we have been reviewing are concrete evidence of the staff's acceptance and understanding of the Bank's policies and aims. It resulted in the institution of various improvements in banking methods for the benefit of the depositors, particularly the small depositors, and other customers of the Bank. New systems, such as convenience hours, True Savings and Chequing Accounts, the setting of a reasonable prime rate and other innovations, many of which were firsts in banking in Canada, were put into effect.

"What I have been talking about is the work of over 17,000 men and women, spread throughout the length and breadth of this great country of ours and in many foreign lands, in over a thousand different offices. It is to that great group of people I wish, on behalf of this meeting and all other shareholders, to pay tribute this morning by my motion.

"Ladies and gentlemen, for some traditional reason lost in the mists of time, at this juncture in the Annual Meeting proceedings the Chairman and Chief Execu-

tive Officer and the President are seemingly supposed to be ignored. I shall follow that tradition except I do indeed include them in my phrase "every employee".

"Also, as another relevant aside, I may say that the Directors have watched, and with justifiable pride, the way our Chairman and President and their regional and branch officers have carried the additional burdens of the year 1967. That period, on the business side, has been a most unsettled and difficult year for the economies of all countries, and thus for the complex business of banking. In addition, in this country there was Canada's Centennial celebrations, Expo 67 and, for this Bank, the marking of its 150th Anniversary. Our senior officers have taken all this additional work in their stride. Apart from strictly business, the social demands of all these celebrations were a severe strain in themselves and, with all due respect to these officers, and again breaking with tradition, I wish to say that I am sure they could not have survived these heavy social demands if it had not been for the most noticeable and constant support of their wives, to whom I know you would wish me to convey our warmest gratitude for keeping our officers in good health and sound mental balance during this most demanding year.

"Now, Mr. Chairman, it may be that some shareholders at this meeting feel I am going on at some length. They are correct, I am. I do so to make sure that my motion cannot in any way be interpreted as a merely traditional gesture which always takes place at this time of year. I am endeavoring to show that the substantial improvements in the progress, development and growth of the bank in 1967 are the result of the dedicated and efficient work of the employees of our Bank. So, Mr. Chairman, it is with great pleasure that I move that the most sincere and warmest appreciation of the shareholders be extended to all and every employee of the Bank."

M. Rolland a dit :

"M. Kirkpatrick a rendu ma tâche de seconneur singulièrement facile et je n'ajouterai qu'un mot à son exposé.

"Nous pouvons nous féliciter, à la Banque de Montréal, de la haute qualité du personnel et de la direction. Ce n'est pas là de ma part une simple clause de

(continued on page 46)

Year 150 and British Columbia Division



*A. J. Ellis,
Senior Vice-President,
British Columbia Division*

In 1887, hard on the heels of the C.P.R., Canada's First Bank crossed the Rockies in the person of pioneering banker Campbell Sweeny, and established its first British Columbia office in Vancouver. He found a city of 10,000 living among the giant tree stumps of the primeval forest and recovering from a disastrous fire the year before. Yet within a few years, Vancouver Branch was to become one of the Bank's most important units.

The ubiquitous Mr. Sweeny was also Manager of the first B of M branch on Vancouver Island, opened in Victoria in 1891. Actually, the Bank's roots in the province go back much further through the old Bank of British North America, purchased by the B of M in 1918, which had established a Victoria office during the gold rush of 1859.

In the succeeding decades, Canada's western-most province has grown far beyond the most optimistic hopes of the early days. Through the years, the

Bank has participated extensively as new regions have opened up and the number of offices has grown steadily: seven by 1897; 15 by 1907; 45 by 1927; and 62 by 1947. Natural resource development has been responsible for much modern-day pioneering by the Bank, including establishment of the first bank in Kitimat to serve the giant Alcan operation in 1952, and in May of this year the Bank provided facilities for workers at Granduc Mines Ltd., north of Stewart.

With a population rapidly approaching two million, B.C. has recorded a 15 per cent increase since the 1961 census — faster growth than any other province. This had been due not only to new family formations, but also to large numbers moving in from other provinces and abroad. Newcomers have not concentrated exclusively in the heavily built-up Lower Mainland, with many establishing in the Interior.

Thus the Bank's growth in the past decade has continued rapidly, with 33 offices opened since 1957, to bring the present total to 137. The Division is now organized into Vancouver Main Office and six districts: Vancouver Central—North Shore; Vancouver Suburban—Burnaby; New Westminster—Fraser Valley; Okanagan—Kootenay; Prince George—Northern and Vancouver Island—Coastal.

Arthur Buchanan arrived in the village of Nelson, high in the Selkirk Mountains, on snowshoes with initial "capital" of \$2.50 to open a branch there in 1892, as seen in Jack Hambelton's painting commissioned for the Bank's history. A local businessman helped out until Bank funds arrived.





This recent picture of the Vancouver skyline against the majestic backdrop of the Coast Mountains gives an idea of the excitement and beauty of Canada's third-largest city.

Forest products account for a large part of every dollar earned in British Columbia, where loggers harvest trees continually for lumber, pulp and paper production. This picture shows a mobile grapple loader stacking logs on an eighteen-wheeler deep in the woods of Vancouver Island.

Soaring 3,700 feet above Vancouver, the Grouse Mountain skyride is an important tourist attraction. Tourism is a major B.C. industry — some 7,200,000 visitors spent over \$267,000,000 in the province last year.



(continued from page 43)

style mais l'expression d'une conviction personnelle basée sur l'expérience. C'est aussi ce que traduisent les résultats particulièrement brillants enregistrés par la Banque cette année.

"J'ai apprécié non seulement la compétence et l'entier dévouement du personnel aux affaires de la Banque, mais aussi sa courtoisie et l'atmosphère de coopération amicale et d'équipe dans laquelle le travail se poursuit. Je pense que c'est cette atmosphère qui a permis aux changements de structure et à la réorganisation profonde qui en est résultée de s'effectuer avec succès pour le plus grand bénéfice des clients de cette Banque comme de ses actionnaires.

"Depuis quelques années, dans divers domaines de son activité, la Banque de Montréal a été à la pointe d'idées nouvelles et de réalisations originales. Mais nous savons tous ce que chaque réalisation implique d'imagination créatrice, d'effort et de travail. Je suis donc heureux de seconder la résolution de M. Kirkpatrick remerciant M. Len Walker et tous ses collègues aux différents échelons de la hiérarchie, des efforts qu'ils ont mis au service de la Banque de Montréal au cours de l'année 1967."

Mr. Walker responded :

"On behalf of my colleagues and fellow workers, as well as on my own behalf, it is my pleasant duty to thank Mr. Kirkpatrick and Mr. Rolland for their generous remarks in speaking to this motion. The manner in which the resolution has been received by our shareholders speaks for itself. As Mr. Kirkpatrick has said, banking is now a highly competitive business and it is indeed encouraging to me that we have a team willing and competent to accept the present-day challenges. I can assure you that this expression of confidence from the shareholders will be appreciated by all members of the Bank's family."

The Chairman then said :

"The remaining business before the Meeting is the balloting for the appointment of auditors, for the enactment of By-law No. XIV and for the election of Directors for the ensuing year. The ballot is now open for these purposes and I will ask the Secretary to read the names of those proposed for election as Directors."

The Secretary read the list of proposed Directors as follows :

W. A. Arbuckle ; W. M. Vacy Ash ; Paul Bienvenu ; George W. Bourke ; Ralph B. Brennan ; Charles R. Bronfman ; The Honourable Eric Cook, Q.C. ; H. Roy Crabtree ; N. R. Crump ; F. Ryland Daniels ;

Nathanael V. Davis ; T. W. Eadie ; Harold S. Foley ; The Honourable Leslie M. Frost, P.C., Q.C. ; Donald Gordon, C.M.G. ;

G. Arnold Hart ; Donald S. Harvie ; Sir Nutcombe Hume, K.B.E., M.C. ; Leonard Hynes ; R. M. Ivey, Q.C. ;

A. C. Jensen ; J. H. Mowbray Jones ; David Kinneir ; W. S. Kirkpatrick ; A. Searle Leach ;

Bernard M. Lechartier ; Roger Létourneau, Q.C. ; Arthur R. Lundrigan ; Donald A. McIntosh, Q.C. ; D. R. McMaster, Q.C. ;

H. C. F. Mockridge, Q.C. ; The Honourable Hartland deM. Molson, O.B.E. ; J. Bartlett Morgan ; R. D. Mulholland ; Victor deB. Oland ;

H. J. S. Pearson ; J. Pembroke, C.B.E. ; John G. Prentice ; Budd H. Rieger ; Forrest Rogers ;

Lucien G. Rolland ; V. W. Scully, C.M.G. ; George H. Sellers ; G. H. Sheppard ; The Honourable James Sinclair, P.C. ;

H. Greville Smith, C.B.E. ; George C. Solomon ; Noé A. Timmins, Jr. ; The Honourable Pauline Vanier, C.C., P.C. ; and Henry S. Wingate.

Mr. T. R. Meighen, Q.C. nominated the persons whose names had been read by the Secretary for election as Directors of the Bank for the ensuing year.

The balloting was then proceeded with. The Scrutineers submitted their reports on the balloting and the Chairman declared that Messrs. Campbell W. Leach, C.A. and Lionel P. Kent, C.A., were duly appointed auditors ; that By-law No. XIV was duly enacted ; and that the persons named in the list read by the Secretary, and duly nominated by Mr. Meighen, had been elected directors.

At a subsequent meeting, the Board of Directors re-elected G. Arnold Hart, Chairman of the Board, R. D. Mulholland, President, and Harold S. Foley, The Honourable Leslie M. Frost, P.C., Q.C., Roger Létourneau, Q.C., The Honourable Hartland deM. Molson, O.B.E., and Budd H. Rieger as Vice-Presidents.



Annual Report 1967

Year 150 ... Annual Meeting



Close to 1,000 shareholders attended the Bank's Annual Meeting at Montreal's Queen Elizabeth Hotel on December 4th. The picture below shows some of those present. Above, the Bank's Chairman and Chief Executive Officer, G. Arnold Hart, is seen addressing the meeting. With Mr. Hart, left to right, are: The Hon. Leslie M. Frost, P.C., Q.C.; Roger Létourneau, Q.C.; the Hon. Hartland deM. Molson, O.B.E.; G. A. Rhéaume, Vice-President, Montreal Division; R. D. Mulholland, President; Mr. Hart; J. Leonard Walker,

Senior Executive Vice-President and General Manager; M. A. Massé, Senior Vice-President, Domestic Banking; C. W. Harris, Vice-President and Secretary; J. A. MacAulay, C.C., Q.C.; Harold S. Foley; and Budd H. Rieger. Mr. Frost, Senator Molson and Messrs. Létourneau, Foley and Reiger are all Vice-Presidents and Directors of the Bank. Mr. MacAulay, a former Vice-President and Director (who had been a member of the Board since 1942) did not seek re-election this year.



Year 150 in International Banking

The founders of Canada's First Bank were internationally-minded from the beginning and no fewer than 121 of the original 289 shareholders of 1817 were resident abroad. Continuously since those earliest days one of the Bank's great strengths has been its wide-ranging international connections; and today, with foreign trade more vital than ever to the national economy, the B of M handles an immense volume of international transactions, providing essential services to Canadian exporters and importers and to customers around the world.

Within a matter of weeks after November 3, 1817, the "Montreal Bank" had appointed agents in New York and London, so that by early 1818 the intricate apparatus needed to transfer funds from country to country and to make payments between the three nations had been established.

The Bank opened its own United States and United Kingdom offices in 1859 and 1870 respectively — at 23 William Street in New York and at 27 Lombard Street in London. A Chicago office was established in 1861 and the Bank of Montreal (California) — a wholly-owned subsidiary with branches in San Francisco and Los Angeles — traces its origin to 1864.

Today, in addition to two branches in London, the New York Agency at Two Wall Street, the California

operation and the Chicago office, the B of M maintains offices in Houston, Paris, Düsseldorf, Mexico City and Tokyo, as well as six branches to serve the Canadian Armed Forces in Germany.

Serving the Caribbean and Latin America, the affiliated Bank of London and Montreal Limited is owned jointly by the Bank of Montreal, Bank of London & South America, Limited, and Barclays Bank D.C.O. With its head office in Nassau, BOLAM has its own international board of directors headed by R. D. Mulholland, President of the B of M, as Chairman. Founded in 1958, BOLAM has grown from 14 offices in six countries to the present 41 offices in ten countries. During the period to the end of 1966, its assets increased from \$63 million to \$254 million.

Overall, (excluding BOLAM), the B of M recorded foreign currency assets of \$918 million at the October 31st year-end, representing almost 15 per cent of its total assets.

Now, in the second half of its second century, Canada's First Bank is maintaining and expanding the broad international outlook which characterized its earliest days. As world trade increases and diversifies, the Bank is further developing its international activities to meet modern requirements.



The Bank's first recorded foreign exchange transaction took place in January 1818 when the original vice-president of the "Montreal Bank", Thomas Turner, transported 130,000 Spanish silver dollars (mostly deposits and payments for the Bank's capital stock) from Montreal to Boston. This painting by James Walker portrays the convoy which carried the

cash in 65 kegs each weighing 100 pounds along primitive winter roads and through snowbound passes of New England. Today, by contrast, the Bank's extensive foreign exchange business is conducted with sophisticated instantaneous communication techniques between Canadian centres and the money markets of the world.

J. M. McAvity, President of the Canadian Export Association, third from left, was a recent visitor to the Head Office of the Bank where he discussed export trends with principal Bank of Montreal international banking officers. In the picture below, Mr. McAvity is seen with, left to right, F. B. Clarke, Superintendent; S. T. Strathy, Vice-President; and E. R. Ernst, Executive Vice-President, International Banking.



This drawing depicts the Bank of Montreal (California) branch in Sacramento, to open early in 1968. The B of M (California) is a wholly-owned subsidiary, providing personal and business banking service, with headquarters in San Francisco and a branch in Los Angeles. The Bank was chartered in 1864 and its Board includes prominent California businessmen. C. R. M. Allan is Chairman.



Year 150 and Canada's Centennial

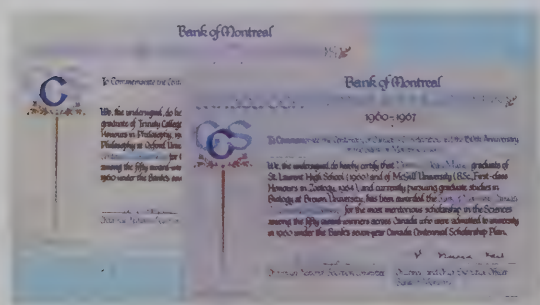


For Bank of Montreal people everywhere, '67 has had double significance, for this was jointly the year of Centennial and the Bank's 150th birthday.

Early recognition of this happy coincidence enabled the Bank to plan, starting as far back as 1959, a group of important educational and cultural projects reaching many thousands of people, helping to honour the great national birthday and to generate important recognition for Canada's First Bank.

These pages depict highlights of some of the Bank's Centennial year undertakings . . .

Parades large and small for Canada's big 100th birthday party were a colourful part of the scene across the land in '67. And Canada's First Bank was prominent in about 150 of them, winning many prizes in the process. Shown here is part of the Bank of Montreal float in the Calgary Stampede parade in July.



Bank of Montreal Canada Centennial Scholarships, started in 1960, were the first Centennial project of any private business. In all, 126 scholarships worth more than \$200,000 were awarded, initially to 48 high school graduates from across the country for first-year university study in arts and science. Increasingly valuable awards were then given to a decreasing number of students, culminating this year in \$7,000 scholarships: to the top science winner, Miss Dorothy Milne of St. Laurent, and to the top arts winner, Ralph Walker of Montreal. Their illuminated certificates are shown at left.



In mid-1965, artist R. D. Wilson set out to compile the Bank's "Canada Centennial Tableau", conceived as "a record of contemporary Canada at the time of its Centennial". Since then he has travelled 80,000 miles to complete more than 500 sketches covering virtually every part of the country. Everywhere en route Dick Wilson has made friends . . . and has become something of a national figure in the process. Here he is at Chatham, N.B.

Men and women in rural communities benefitted from the Bank of Montreal Canada Centennial Farm Leadership Awards, which provided \$2,000 each to 25 farm people from Eastern Canada and 25 from the West, for travel-study projects selected from over 700 entrants by an independent panel. Winners travelled to various parts of the world; Jacques Domingues (right) left his sheep farm in West Shefford, P.Q. to visit sheep stations, meat-processing plants and wool marketing facilities in Australia and New Zealand, bringing back a wealth of knowledge useful for his farm and his community.



A unique collection of paintings commissioned by the Bank to illustrate the two-volume history, "Canada's First Bank", by Merrill Denison were assembled for display at various centres across Canada. First showing of the 38 paintings was at the Confederation Art Gallery in the Fathers of Confederation Building in Charlottetown. From there, the collection moved on to Cowansville, Vancouver, Winnipeg, Toronto and Montreal. This display was at Eaton's store in Vancouver.



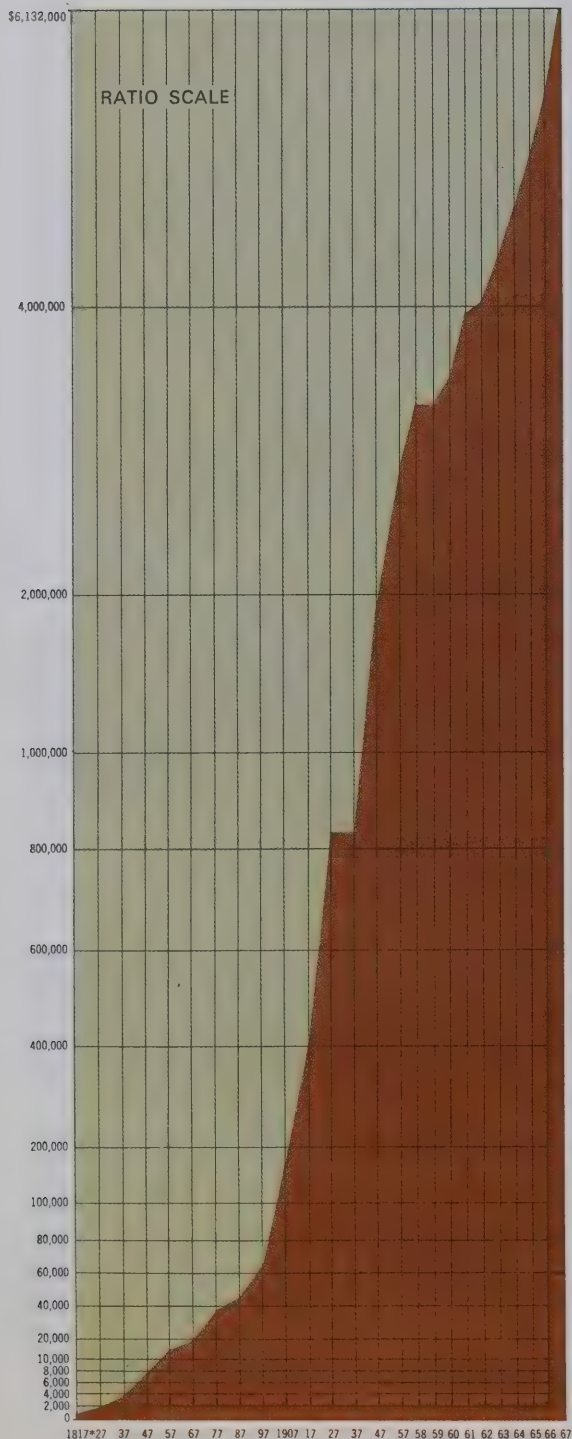
Plaques were installed at some 40 locations across Canada to commemorate the start of banking in various centres — at least 100 years ago in the East and at least 60 years ago in the West. The plaque at the Main office in Quebec City records that the first office of the Bank there, opened in 1817, inaugurated the entire Canadian branch-banking system. Following the unveiling on November 23rd, His Worship Mayor Gilles Lamontagne of Quebec (second from right) talks with Roger Létourneau, Q.C., the Bank's Vice-President and Director resident in Quebec City; J. E. Jacques, Manager, Quebec Main Office; and Charles de Jocas, Senior Vice-President, Quebec Division.



Statistical Summary

(Thousands of Dollars)

TOTAL ASSETS



LOANS AND DISCOUNTS

SECURITIES

1967	\$3,829,259	\$1,185,474
1966	3,344,353	1,047,930
1965	3,167,990	975,309
1964	2,728,862	1,142,648
1963	2,419,627	1,099,052
1962	2,268,875	969,030
1961	1,933,791	1,107,453
1960	1,772,613	983,256
1959	1,772,625	886,238
1958	1,416,519	1,229,919
1957	1,437,636	872,675
1947	458,511	1,054,755
1937	231,497	437,668
1927	500,589	125,068
1917	220,050	74,600
1907	128,713	10,886
1897	36,950	4,736
1887	27,793	—
1877	31,110	—
1867	11,022	3,359
1857	10,408	563
1847	5,874	263
1837	2,748	10
1827	1,363	—
1817*	—	—

NOTE
CIRCULATION

DEPOSITS

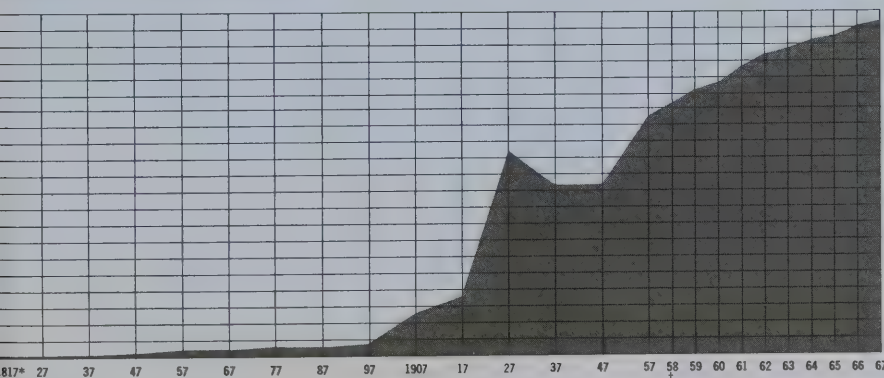
PAID-UP CAPITAL

REST FUND

PROFITS FOR
FISCAL YEAR

FOLLOWING ESTABLISHMENT OF BANK OF CANADA IN 1935, OTHER BANKS RETIRED THEIR NOTES FROM CIRCULATION; NO B OF M NOTES CIRCULATED AFTER 1950.		\$5,608,490	\$60,750	\$173,000	\$20,720
		4,995,368	60,750	168,000	19,906
		4,605,387	60,750	163,000	18,730
		4,340,435	60,750	158,000	17,855
		3,961,675	60,750	154,000	16,747
		3,712,565	60,750	150,000	16,014
		3,646,622	60,750	145,850	14,579
		3,200,419	60,750	141,850	14,227
		2,998,208	60,650	139,629	12,191
		3,038,350	54,000	120,000	10,357
—		2,632,251	53,687	117,374	9,650
4,784		1,783,442	36,000	44,000	5,423
24,429		717,799	36,000	39,000	3,008
45,761		709,180	29,917	30,917	4,576
29,308		335,439	16,000	16,000	2,170
12,501		126,272	14,400	11,000	1,980
4,563		40,037	12,000	6,000	1,231
5,204		17,418	12,000	6,000	1,520
3,276		16,916	11,998	5,500	1,189
988		11,199	6,000	1,250	906
3,325		2,677	5,510	740	566
2,099		1,094	3,000	300	242
723		939	1,000	198	n.a.
354		496	750	53	n.a.
—		—	150	—	—

OFFICES OF THE BANK



*On November 3, 1817

n.a. = not available

†Since 1958 the Bank of Montreal has been represented in the Caribbean area through its affiliate, the Bank of London and Montreal, branches of which are not included in this total.

Year 150 and a New Face for Canada's First Bank



Year 150 had barely begun when the announcement was made that every visual impression of the Bank was to be changed through the introduction of a new corporate identification programme to symbolize the spirit with which Canada's First Bank faced the future.

The new graphics were introduced after months of preparation in consultation with Stewart & Morrison Ltd., a leading Canadian design firm, and after an extensive research programme extending from Newfoundland to British Columbia.

The new look for the Bank of Montreal includes a stylized "M" on a sturdy supporting bar employed in

precise relationship to new typography for the Bank's name and the slogan "Canada's First Bank", plus adoption of vibrant "FirstBank Blue" as the official corporate colour.

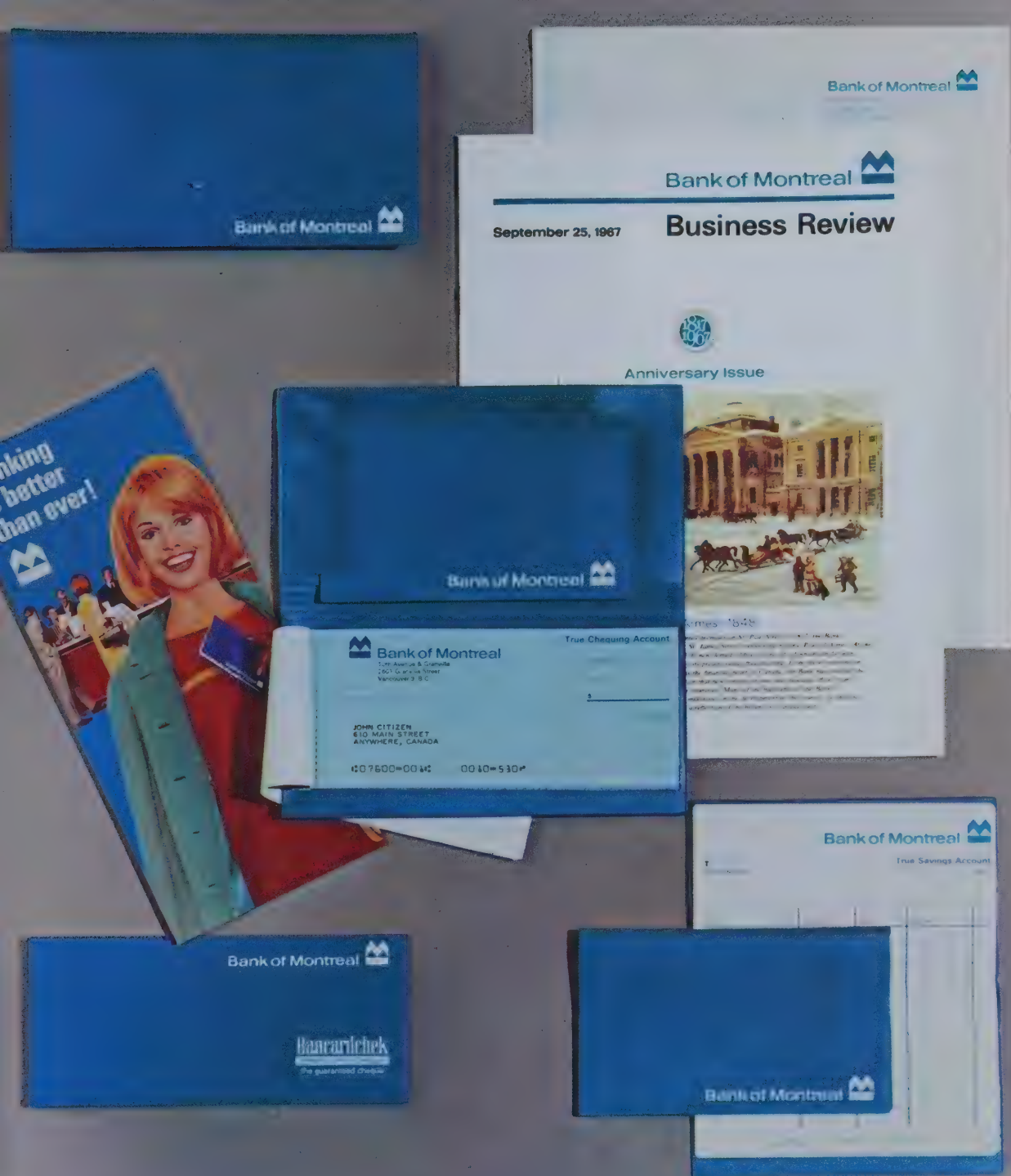
Changeover to the new graphics is a major undertaking involving identification of all buildings, advertising, stationery, cheques and forms for thousands of items used at more than 1000 offices in Canada and abroad. Many of the changes have already been made, as the photographs on these pages testify, with the remainder being phased in as quickly as possible, consistent with economy.



As night approaches, B of M clocks and signs come vividly to life by means of back-lighted translucent plastic.



This new Bank house flag, featuring the new symbol and colour, will soon become familiar at branches everywhere.



All in the family... the big "M", distinctive typography and FirstBank Blue combine to bring a contemporary "family look" to cheque book covers, cheques, savings passbooks, letterheads, publications and thousands of other items seen every day by millions of people in Canada and abroad.

expo67

and Canada's First Bank

This "welcome" sign—brightly lit at night—was seen by literally millions of visitors passing the Bank's branch and Montreal Division offices in C-I-L House thanks to its key location on the corner of University Street and Dorchester Boulevard, on the main approach highway to the Expo site.



Acclaimed throughout the world as "the brightest candle on Canada's 100th birthday cake", Expo 67 welcomed participants from 60 countries and set a world record for attendance with more than 50 million admissions to its magnificent island site in the

St. Lawrence River. In the midst of its own 150th anniversary celebrations, Canada's First Bank was proud to make contributions in many ways to the success of the largest Universal and International Exhibition ever held.



Even before the great fair opened, Bank of Montreal branches began to promote sales of Expo passports and bonus books of tickets for use on the site. Gross sales came close to \$5 million, probably the highest figure of any Canadian financial institution. Information centres like the one at the Main Montreal Branch on Place d'Armes (above) and at C-I-L House Branch (above, right) in the heart of Montreal's uptown business and shopping district, provided assistance in many ways, including official passport validations to many thousands of visitors and Montrealers alike.

Among Bank material prepared especially for Expo were these two maps — a site plan showing the location of pavilions and other amenities, and a folder of maps showing highway approaches to Montreal which featured a unique aerial photograph pinpointing downtown hotels, stores, Bank of Montreal branches and other points of interest. These maps circulated widely throughout Canada and the United States as well as in many countries abroad through B of M offices and correspondent banks.





To cash cheques, exchange currency and provide other banking facilities for thousands of Boy Scouts visiting Expo 67 from all parts of the world, Canada's First Bank provided a mobile office at the Scout Hospitality Camp in the Montreal suburb of Ville d'Anjou. Here Manager J. G. A. Favron welcomes Venturer Scouts John Hodge and Michael Turner from Middleton, N.S.

As a major industry contribution to Expo, Canada's chartered banks jointly sponsored the International Trade Centre on the site, (below), providing a unique meeting place for international businessmen interested in trade with Canada. An important feature was the smartly-appointed Bank of Montreal reception centre where staff were kept busy providing on-the-spot advice, information and introductions. At right, John Trott, who was in charge of the office, goes over the day's appointments with Miss Sandra Dawson, one of the Bank's group of Expo receptionists.



Year 150 ... in the Marketplace

"Year 150" has been a time of innovation and leadership for Canada's First Bank with the introduction of many new services and facilities. In each phase, B of M advertising has led the field in concept, design and impact, including the highlights depicted on these pages.

Important consumer advertising campaigns in '67 were launched in print media to support the four major innovations of the year: True Savings, True Chequing, Customer Convenience Hours and Bancardchek. The ads included full-colour magazine and full-page newspaper material, with extensive use of FirstBank Blue. This selection shows something of what was done...



What do you get besides 50% more interest from a **4 1/2%** True Savings Account?

Introducing Customer Convenience Banking Hours!

Bank of Montreal

Can you buy a new car and still put money in the bank?



Sure Car Loan payments are so much lower at Canada's First Bank you can bank the saving

Two Bank Accounts Can Be Cheaper Than One

Buying a car Try to hear this deal



Bank of Montreal

True Chequing personalized cheques go here

True Savings passbook goes here

The new True way to bank

Handy as your Post-Box

Banking is better than ever at the Château Frontenac

Bank of Montreal

\$250 \$500 Buy a Bond at Bank of Montreal

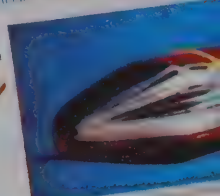
\$500 \$1000 Buy a Bond at Bank of Montreal

\$250 \$500 Buy a Bond at Bank of Montreal

\$500 \$1000 Buy a Bond at Bank of Montreal



Bancardchek



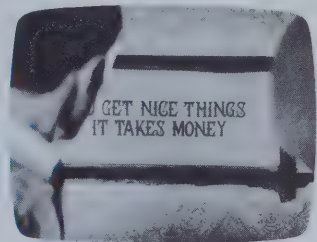


A continuing advertising programme to the Canadian, United States and world business community details the Bank's comprehensive range of services to all business. Special material directed to the North American petroleum industry supports the operation of the Oil and Gas Department in Calgary and the Resident Representative in Houston.

All across Canada in the nation's Centennial year, Canada's First Bank was prominently represented at more than a score of shows and exhibitions of general and specialized appeal, including the big Canadian National and Pacific National Exhibitions, the Calgary Stampede and the Chicoutimi Exposition. This picture depicts the Bank's tent exhibition at the 54th Annual International Plowing Match at Barrie, Ontario, one of North America's largest outdoor shows of farm equipment.



In May, the Bank of Montreal broke new ground in Canadian bank advertising by moving into a major nationwide schedule of television spot advertising to promote True Savings. Again, starting immediately after Labour Day, a heavy fall TV schedule was launched in 193 markets, recalled by these frames from one of the commercials.



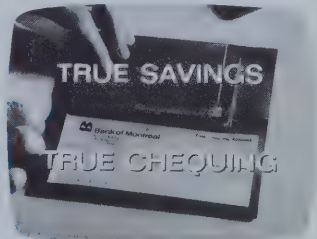
Once there was a nice young couple. They knew it takes money to get nice things.



Like hats.



But they had trouble managing their money. Until she discovered the New True Way To Bank . . .



. . . True Savings. True Chequing. To separate spending from savings.



She opened their family accounts . . . which really helped them work things out. Now they have their savings plan. And nice things too.





Officers of the Bank on November 3rd, 1967

OFFICERS AT HEAD OFFICE

Chairman of the Board and Chief Executive Officer

G. ARNOLD HART

President

R. D. MULHOLLAND

Senior Executive Vice-President and General Manager

J. LEONARD WALKER

*Executive Vice-President,
Domestic Banking*

R. L. SHEARD

*Executive Vice-President,
International Banking*

E. R. ERNST

Senior Vice-President, Domestic Banking

M. A. MASSÉ

*Vice-President,
Special Services*

W. H. COLLIE

*Vice-President
and Economic Adviser*

N. E. CURRIE

*Vice-President,
Investments*

W. T. G. HACKETT

*Vice-President
and Secretary*

C. W. HARRIS

*Vice-President,
Personnel*

W. A. HOTSON

*Vice-President,
Securities*

T. D. LEWIS

*Vice-President,
Organization and Personnel*

F. H. McNEIL

*Vice-President,
Marketing*

L. F. MOORE

*Vice-President,
Credit*

G. N. SCOTT

*Vice-President,
Pension Plans*

S. A. SHEPHERD

*Vice-President,
International Banking*

S. T. STRATHY

*Vice-President,
Planning*

J. E. TOTEN

Assistant Vice-President

R. W. MACKIE

Special Assignments

R. A. McDOUGALL

Superintendent, Administration

W. D. SMALL

Chief Inspector

A. S. C. BLACK

Comptroller

G. B. CLARKE

Chief Accountant

J. F. CLIFF

Assistant to the Chairman

J. D. HOUSTON

Supervisor, Shareholder Services

L. M. BAYLY

Officers at HEAD OFFICE (continued)

Departmental Officers

R. R. T. Adams
J. S. Allan
J. A. Anthony
D. J. Ashworth

I. H. Baldry
L. F. G. Ball
D. W. Beck
J. T. Beckerleg
E. F. Bosiger
W. D. Brash
M. D. Brown
Munro Brown
M. A. Burke
D. W. Burns
J. C. Butters

J. P. N. E. Cantin
W. F. Chadwick
A. E. Clark
F. B. Clarke
F. Clayton
D. S. Collins
R. R. Curtis

J. L. Demers
F. A. Droppo
J. E. Drummond

L. E. Eadie
J. A. Edwards
H. A. Erian

S. B. Fleming
J. Fontein
R. M. Forster
O. C. Frood

M. B. Gausden
J. C. Gourlay
G. R. Guess

A. R. Hales
C. G. Hawthorn
S. G. Hendry
A. M. Hickey
J. R. Hirst
R. Holmes
W. S. F. Houston
L. E. Hubble
E. Hume

C. G. Johnson
N. A. S. Johnson

J. W. P. Laurin
C. E. G. Lawson
S. B. Lindsay
T. J. Linklater
P. J. Logan
W. L. Lund

R. K. MacKenzie
A. C. H. Mann
Mrs. J. A. Marshall
K. H. G. May
K. J. McCalla
I. A. C. McCallum
W. McDonnell
D. C. McLean
D. P. McNaught
R. H. Minard
G. R. Morgan
J. Mullins
O. F. Niebergall

E. F. Noonan
D. S. Norsworthy

W. W. Ogilvie
W. E. Ohberg

A. R. Palmer
J. D. Parish
J. Parker
D. W. Peachey

G. T. Robertson
G. M. Rostrup
J. B. Russell

L. R. Schaan
J. Shea
F. C. G. Sheward
R. J. Shore
G. H. Smith
M. G. Spankie
C. Stacey
H. E. Swim

C. R. E. Thomas
J. H. Thomson
G. F. Thrush
B. S. Townson
F. J. Trott

L. G. Udell

C. T. Vu

A. M. West
H. F. Westover
E. Wheeler
J. A. Whitney
R. J. Willingham

DOMESTIC DIVISIONS

Atlantic Provinces Division

Cor. Hollis and George Streets,
HALIFAX, N.S.

Senior Vice-President :
T. R. FRANCIS

Divisional Officers

A. R. Bell	K. W. Johns	C. S. Loughlin	R. L. Munro
G. D. Brady	D. R. Lordly	G. MacAskill	F. H. G. Wright

District Managers

R. G. Boyne	D. E. Ferris	G. B. McDormand
-------------	--------------	-----------------

Branch :

Badger, Nfld.
Bathurst, N.B.
Bay Roberts, Nfld.
Bible Hill, N.S.
Bishop's Falls, Nfld.
Botwood, Nfld.
Bridgewater, N.S.
Buchans, Nfld.
Camp Boggly, Nfld.
Canso, N.S.
Cape Bald, N.B.
Channel - Port aux Basques, Nfld.
Charlottetown, P.E.I., Main Office

Parkdale
Chatham, N.B., Main Office
Chatham (*Canadian Forces Base*)
Churchill Falls, Labrador, Nfld.

Manager :

Sub. Agency to Grand Falls
E. G. Wornell
C. M. Moulton
Sub. Agency to Truro
B. R. Nowlan
A. G. Anderson
D. W. H. Brown
R. Milley
Sub. Agency to St. Alban's
R. D. Mills
Sub. Agency to Shediac
R. W. Elford
F. G. Lambert
M. D. Sharp, *Asst.*
Sub. Agency to Charlottetown
G. W. A. Pincombe
Sub. Agency to Chatham
J. E. A. M. Malo

Branch :

Corner Brook, Nfld., Main Office
Caribou Road
Curling
Dalhousie, N.B.
Dartmouth, N.S., Main Office
Graham's Corner
Shannon Plaza
Deer Lake, Nfld.
East Saint John, N.B.
Edmundston, N.B.
Fredericton, N.B., Main Office
University Campus
Glace Bay, N.S.
Grand Falls, N.B.
Grand Falls, Nfld.

Manager :

G. L. Walters
J. W. Thain, *Asst.*
F. C. Chaffey
A. L. MacFarlane
C. V. J. Surette
J. S. R. Sherwood
M. L. Finnemore
P. A. W. Trainor
D. C. Strong
G. S. Gosse
J. G. R. Lepine
I. C. H. Storer
D. A. Spencer, *Asst.*
Miss R. E. Watson
A. E. Graham
A. B. Clayton
J. W. L. Creaser
W. C. Dunn, *Asst.*

<i>Branch :</i>	<i>Manager :</i>	<i>Branch :</i>	<i>Manager :</i>
Halifax, N.S., Main Office	B. E. Rogers C. F. Maher, <i>Asst.</i> D. G. Fulton, <i>Asst.</i>	Saint John, N.B., Main Office	F. G. McLean T. E. Robart, <i>Asst.</i>
Fairview	R. M. Gregory	Haymarket Square	A. A. Goldsmith
Gottingen & Cunard Sts.	J. Somerville	Lancaster	D. C. Cushing
Oxford & Cork Sts.	W. J. Slinn	Union Street	G. R. F. Filliter
Quinpool Road & Harvard St.	G. R. D. Greening	St. John's, Nfld., Main Office	R. J. Kayser
Rector & Gottingen Sts.	R. R. Walsh		E. N. Locke, <i>Asst.</i>
Spring Garden Rd. & Carleton St.	C. D. F. Lusby		I. D. Wilkie, <i>Asst.</i>
Hartland, N.B.	W. L. Owen	Confederation Building	J. H. M. Eagar
Jeffrey's, Nfld.	Sub. Agency to Stephenville Crossing	East End	J. N. Connell
Kentville, N.S.	G. W. Butt	Elizabeth Avenue West	M. S. Landers
Liverpool, N.S.	R. A. Stuewe	Memorial University of Newfoundland	Sub. Agency to Elizabeth Ave. West
Lunenburg, N.S.	L. G. Jewett	Newfoundland Savings Building	G. B. Hutchings
Mactaquac, N.B.	Sub. Agency to Fredericton	St. Stephen, N.B.	K. D. McDonald
Mahone Bay, N.S.	G. A. MacPherson	Shearwater, N.S.	K. I. Iversen
Marystown, Nfld.	O. W. Young	Shediac, N.B.	S. B. Zinck
Milltown, Nfld.	Sub. Agency to St. Alban's	Springdale, Nfld.	H. L. Varner
Moncton, N.B., Main Office	J. G. Balloch	Spryfield, N.S.	P. Mulcahy
	L. J. McNeary, <i>Asst.</i>	Stephenville, Nfld.	R. G. Carstairs
Highfield & Main Sts.	A. G. Mollins	Stephenville Crossing, Nfld.	G. J. Stuckless
Newcastle, N.B.	J. W. Russell, <i>Asst.</i>	Summerside, P.E.I.	A. J. Gray
New Glasgow, N.S.	G. M. Cunningham	Sussex, N.B.	R. A. Hynes
Perth-Andover, N.B.	W. G. Boone	Sydney, N.S., Main Office	F. J. Morgan
Port au Choix, Nfld.	H. F. Nickerson		P. L. A. Keddy, <i>Asst.</i>
Port Hawkesbury, N.S.	D. C. Elliott	Ashby	E. G. Morrissey
Riverport, N.S.	F. R. Stephens	Truro, N.S.	J. H. Cunningham
Riverview, N.B.	M. Parkyn	Wabush, Labrador, Nfld.	B. A. Smith
St. Alban's, Bay d'Espoir, Nfld.	B. Z. Wentzell	Windsor, Nfld.	H. Butler
St. George's, Nfld.	R. G. Bradshaw, Acct.-in-charge	Wolfville, N.S.	D. L. Moore
	Sub. Agency to Stephenville Crossing	Woodstock, N.B.	F. P. Gamble
		Woody Point, Nfld.	Sub. Agency to Deer Lake
		Yarmouth, N.S.	C. M. McInnis

Quebec Division

116 St. Peter Street,
QUEBEC CITY, P.Q.

Senior Vice-President :

J. D. C. de JOCAS

Divisional Officers

J. E. D. Dionne
G. E. Forget

P. V. Hébert
J. C. M. Marineau

J. A. J. L. Mathieu
J. G. Paré

E. D. A. Rousset
J. G. J. Savard

J. R. G. Vallée
N. R. E. Wilkinson

District Managers

J. U. F. B. Bélair

J. N. R. L. E. Charuest

H. C. A. R. Garon

J. O. F. Lamoureux

J. M. B. B. Nantel

Branch :

Alma, Main Office

Isle Maligne
Naudville

Amqui

Arthabaska

Arundel

Arvida

Bagotville (*Canadian Forces Base*)

Baie Comeau

Bedford

Bonaventure

Buckingham

Bury

Calumet

Cap-de-la-Madeleine

Chambly

Chicoutimi

Cookshire

Manager :

H. P. P. E. Tart

J. G. G. Bertrand, *Asst.*

J. E. J. Lamoureux

J. B. G. Trépanier

J. R. J. G. Croteau

J. P. G. R. Larose

J. C. E. B. Noël, Acct.-in-charge

J. C. H. Dion

Sub. Agency to Port Alfred

J. R. G. Bousquet

R. G. Clark

J. R. G. E. Daigneault

J. E. Donahue

J. G. D. Rouleau, Acct.-in-charge

J. R. G. Gosselin

J. L. L. Léveillé

J. R. R. Rousseau

J. E. C. Vanasse

O. M. B. J. Fortin

Branch :

Cowansville

Dolbeau

Drummondville

Gatineau, Main Office

Canipco & Main Streets

(Sub. Agency to Gatineau)

Granby, Main Office

St. Charles & Main Streets

Grand'Mère

Hull, Main Office

246 St. Joseph Blvd., Hull

Huntingdon

Joliette

Knowlton

Lachute, Main Office

Ayersville (Sub. Agency to Lachute)

Lac Mégantic

Manager :

F. H. Tredinnick

J. O. M. Fournier

J. P. A. Rousseau

J. E. R. Méthot

J. A. Léger, Acct.-in-charge

J. A. R. C. Héту

J. C. Vautour, *Asst.*

J. C. L. N. Leduc

J. A. Morin

J. C. Dionne

J. L. E. R. Boucher

J. P. Harriman

J. C. P. E. Bastien

J. N. Barr

D. M. Hay

J. E. P. J. Dumont, *Asst.*

Miss L. B. Miller, Acct.-in-charge

J. W. M. Charbonneau

Branch :

L'Assomption
Lévis, Main Office
102 Commercial Street
(Sub. Agency to Lévis)

Magog
Matane
Mont-Joli
Mont-Laurier
Mont-Saint-Hilaire
Mont-Tremblant
Napierville
Port Alfred
Quebec, Main Office

Cartier Avenue
Château Frontenac
St. Pascal de Maizerets
St. Roch

St. Sacrement
St. Sauveur
Upper Town
Place Laurier, Ste. Foy
Route du Vailon & Ste. Foy Road,
Ste. Foy

Quyon
Richmond
Rimouski
Rivière-du-Loup
Rouyn
Ste. Adèle
St. Adolphe d'Howard

Manager :

J. L. M. A. Brousseau
J. G. R. Levesque
J. J. M. R. Tourigny, Acct.-in-charge

J. M. E. Huot
J. G. A. Sévigny
L. J. A. F. Champagne
J. L. O. Picard
J. A. G. Forget
Sub. Agency to St. Jovite
J. G. Y. Michaud
J. J. G. D. D'Anjou
J. E. Jacques
J. A. G. Galaise, *Asst.*
J. J. W. Hogg, *Asst.*

M. Fiset
D. P. Murray
J. R. G. Duquette
J. W. O. Lefebvre
J. B. L. Langlois, *Asst.*
J. H. N. Dumas, *Asst.*
J. A. C. P. Galaise
J. R. Grondin
J. M. S. Paquette
J. E. J. C. Boyer
J. P. J. Chamberland

B. F. Morlock
J. H. Arseneau
J. J. F. G. Laberge
J. D. A. Simard
J. H. J. P. Lévesque
J. L. J. Larose
Sub. Agency to Ste. Agathe des
Monts

Branch :

Ste. Agathe des Monts
St. Antoine des Laurentides
St. Bruno
St. Césaire
St. Georges de Beauce
St. Hyacinthe
St. Jean, Main Office
Collège militaire royal de St-Jean
St. Jérôme, Main Office
North End
St. Jovite
St. Romuald
Ste. Rosalie
Sawyerville
Sept-Iles, Main Office
Laure Blvd. & Smith St.
Shawinigan
Shawville
Sherbrooke, Main Office

Belvidère & King Streets
Cité Universitaire

Conseil Street & Tenth Avenue
Sherbrooke Shopping Centre

Sorel
Temiscaming
Thetford Mines
Tracy
Trois-Rivières

Valcartier (*Canadian Forces Base*)
Valleyfield
Victoriaville
Waterloo

Manager :

J. R. A. Simoneau
G. J. T. Lapalme
J. C. A. G. Martel
F. G. Brien
J. R. H. Palardy
J. L. Labrèche
L. F. H. Deschenes
Sub. Agency to St. Jean
G. A. Fleury
A. R. Ouellet
J. H. Lebrun
J. E. R. Laramée
J. M. Couillard, Acct.-in-charge
J. L. G. Fontaine
J. G. Ménard
J. J. J. R. Tessier
J. C. C. J. Daigneault
W. B. Main
R. Lamothe
L. C. J. Brown, *Asst.*
G. J. P. Léonard
Sub. Agency to Belvidère &
King Sts.
J. P. T. Trudeau
R. N. Rhéaume
J. P. E. Wilson
J. R. L. D. Roy
J. M. E. Dupont
J. G. G. Lefebvre
J. P. R. Daoust
J. J. P. Boivin, *Asst.*
J. P. E. Gagné
J. R. R. Rhéaume
J. G. B. Francoeur
W. Venters

Montreal Division

Suite 3200, C-I-L House,
630 Dorchester Blvd. West,
MONTREAL, P.Q.

Senior Vice-President:
D. B. PETERS

Vice-President:
G. A. RHÉAUME

Vice-President and Manager, Main Montreal Branch:
E. C. J. WILSON

Divisional Officers

A. N. Biggar	D. M. Godfrey	E. R. Hogg	R. L. Nelles	P. E. Sexton
A. Gibeault	J. F. D. Haskell	K. R. Michell	J. B. P. P. Pigeon	J. U. B. Verrett

District Managers

J. R. Barlow	J. D. P. Barrette	R. O. L. Caya	F. J. Guy	P. S. Thornton
--------------	-------------------	---------------	-----------	----------------

Branch:

Baie d'Urfé
Châteauguay Centre
Chomedey
Côte St. Luc
Deux-Montagnes
Dorval, Main Office
55th Avenue & Côte de Liesse
Road West
Greenfield Park
Hudson
Jacques Cartier
Lachine
Laprairie
La Salle
Dollard Ave. & Réjane St., La Salle
Laval
Longueuil

Manager:

K. W. de Boer
J. J. B. Desrosiers
G. Di Battista
H. A. Newman
J. A. Simard
J. P. Guinard
J. A. Baxter

J. H. M. R. Pagé
R. W. Fowler
J. A. V. Paré
F. H. Peters
J. M. E. Lapointe
H. H. Reinke
J. A. P. Malenfant
J. J. P. Primeau
J. L. R. P. Marchand

Branch:

Montreal, Main Office

Ahuntsic
Beaver Hall
Benny Ave. & Sherbrooke St.
Bleury & St. Catherine Sts.

Manager:

E. C. J. Wilson
J. R. Ellis, *Deputy*
C. G. Stratton, *Asst.*
D. Munford, *Asst.*
J. A. L. Grégoire, *Asst.*
W. F. Cable, *Asst.*
D. T. Campbell, *Asst.*
G. P. M. April, *Asst.*
K. E. Palmer, *Asst.*
H. H. Robertson, *Asst.*
J. F. B. Devlin, *Asst. (Securities)*
J. G. Robertson, *Asst.*
C. H. Bédard
P. S. McLaren
R. L. A. Turgeon
D. J. Neville
S. B. K. Hutchison, *Asst.*
M. G. Elderkin, *Asst.*

<i>Branch :</i>	<i>Manager :</i>	<i>Branch :</i>	<i>Manager :</i>
Bordeaux St. & Mount Royal Ave. Chabanel Blvd. & Park Ave. Chabanel & St. Lawrence Blvds. Charlevoix & Centre Sts. Christopher Columbus St. & Mount Royal Ave. C-I-L House	J. R. V. P. Cousineau C. L. Irwin J. W. Crawford J. R. F. Simonneau J. H. J. Leconte R. O. Hunt J. A. B. Ouellette, <i>Asst.</i> J. F. A. Delaney, <i>Asst.</i> H. S. Wilson, <i>Asst.</i>	Place Bonaventure Place Crémazie Place du Canada St. Antoine & Windsor Sts. St. Clément & St. Catherine Sts. St. Henri St. Hubert & St. Zotique Sts. St. Jean Baptiste Market	R. C. Nason J. R. A. Boudreau S. L. Shannon J. G. B. L. Michaud, <i>Asst.</i> Sub. Agency to Place du Canada J. R. Gervais R. N. Cruise J. D. S. Daigle B. S. Semerjian, <i>Asst.</i> D. J. A. Boyd E. J. Couper, <i>Asst.</i> G. A. Mignacca F. J. Capen R. G. Fry, <i>Asst.</i> J. E. G. Desjardins, <i>Asst.</i> F. D. Cleland T. Henry F. W. Bolus J. D. Gilmour E. C. M. Pratt D. G. Parker, <i>Asst.</i> M. W. Townsend A. J. P. DeCoste, <i>Asst.</i> T. J. J. Kennedy J. H. Hunter, <i>Asst.</i> J. H. F. X. Trudel J. G. Anderson J. E. Swift K. F. Hofman A. I. Bertelsen J. H. J. C. Brousseau J. A. Lambert Sub. Agency to Longueuil A. W. Murdock J. G. L. Girouard C. E. Eikle J. R. N. Pépin J. G. Sabran J. L. McGerrigle F. W. Fraser P. R. Carter J. P. A. Gévry R. E. Cadieux J. P. Drake J. A. E. Renaud J. A. N. Jarry J. A. C. Dagenais J. S. England C. W. Dean E. D. Moore
City Hall Ave. & St. Catherine St. Côte des Neiges & Bedford Roads Côte des Neiges & Queen Mary Rds. Côte St. Catherine Rd. & Decarie Blvd. Darling & Ontario Sts. Darlington & Soissons Aves. Decarie Blvd. & Paré St. De Lorimier Ave. & Rosemount Blvd. de Maisonneuve Boulevard & Guy Street De Salaberry St. & Taylor Blvd. Drummond & St. Catherine Sts.	J. L. A. Dion H. G. B. Chariton J. P. D. Dash C. H. Droppo F. Lachapelle J. G. L. E. Magnan M. G. Berry J. J. R. C. Brien W. D. Bouillon C. L. Lindsay F. R. G. Farrell A. M. Phillips, <i>Asst.</i> W. B. Appleby, <i>Asst.</i> E. S. W. Y. Taylor A. E. Anderson R. C. Carter E. G. Taylor J. G. A. Favron G. E. J. Chabot R. H. Crawford J. H. Plouffe P. P. Photiades L. M. Haslett E. J. Benson D. W. Yuill W. A. G. Reith J. R. Collin W. Hawkins P. Stel, <i>Asst.</i> C. A. Chaussé	St. Lawrence Blvd. & Jean Talon St. St. Peter & St. James Sts. Seigneurs & Notre Dame Sts. Sherbrooke & Drummond Sts. Snowdon-Hampstead Standard Life Building Stock Exchange Sun Life Building University & St. Catherine Sts. Montreal North Montreal West Outremont Pointe Claire, Main Office Fairview Centre Pont Viau Ste. Anne de Bellevue St. Hubert (<i>Canadian Forces Base</i>) St. Lambert St. Laurent, Main Office Côte de Liesse Road O'Brien Blvd. & Poirier St. Ste. Thérèse Town of Mount Royal, Main Office Rockland Shopping Centre Valois Varennes Verdun, Main Office Beatty & Verdun Aves. Fourth Ave. & Wellington St. Ville de Brossard Vimont Westmount, Main Office 1 Alexis Nihon Plaza Claremont Ave. & Sherbrooke St.	
Girouard & Monkland Aves. Guy St. & Dorchester Blvd. Guy & Sherbrooke Sts. Head Office Building Hochelaga & Bossuet Sts. Hydro-Québec Jean Talon St. & Querbes Ave. La Salle Ave. & Ontario St. Laurier Ave. & St. Lawrence Blvd. Le Salon Mansfield & St. Catherine Sts. Mansfield & Sherbrooke Sts. Marcil Ave. & Sherbrooke St. Masson St. & Fifth Ave. McGill & St. Paul Sts.			
Montée St. Michel (11th Avenue) & Beaubien St. Ontario St. & St. Lawrence Blvd.	G. Fowle D. J. Butler, <i>Asst.</i> J. F. Fisher, <i>Asst.</i>		
Papineau Ave. & Fleury Street Papineau Ave. & Jean Talon St. Papineau Ave. & St. Catherine St. Park & Bernard Aves. Peel Street	J. M. E. Patry C. M. McKenna R. E. A. Kerr R. Robertson J. Henderson J. H. G. Charuest, <i>Asst.</i>		

Ontario Division

50 King Street West,
TORONTO, ONT.

Senior Vice-President :

E. A. ROYCE

Vice-President, Credit :

D. W. CASEY

Vice-President, Central Ontario Region :

F. P. BAINES

Vice-President, Eastern Ontario Region :

J. B. LESSLIE

Vice-President, Western Ontario Region :

E. J. KELLEHER

Vice-President and Manager, Main Toronto Branch :

J. R. McLEAN

Divisional Officers

J. B. Arthur
J. A. Bowman
J. M. A. Briden
W. F. Cronin

E. G. J. Etherington
D. R. Ferguson
H. W. Ferris
J. D. Gibson
C. E. Griesdale

R. E. Jamieson
D. O. Knowles
R. G. Lammers
J. D. McCarney

D. L. M. McLean
W. C. Murray
M. E. Nesmith
H. J. Nind
T. W. Pound

R. L. W. Softley
A. W. Thompson
S. R. Topps
J. D. A. Wiggins

District Managers

L. P. Birrell
M. J. Brady
R. F. Fanning

R. A. Franklin
D. A. Gardner
J. C. Harrison

J. B. Hill
W. A. B. Hill
R. E. Holland

J. E. Leonard
R. M. MacFarlane
K. G. MacLuckie

C. F. MacNaughton
J. P. C. Macpherson
W. F. Schleihau

Branch :

Acton
Ajax
Alliston
Almonte
Alvinston
Amherstburg
Athens
Aurora
Aylmer
Barrie

Manager :

E. A. Pratt
J. A. Logan
C. W. Parkinson
C. C. Farran
W. J. Read
D. G. McCallum
J. F. Smit
R. R. Bowerman
L. H. Rife
D. B. Cherry

Branch :

Barry's Bay
Batawa
Beachville
Belleville, Main Office

Dundas Street East &
MacDonald Avenue
North Front & College Streets
Bells Corners

Manager :

R. A. Murat
G. H. Rust-D'Eye
Sub. Agency to Ingersoll
A. D. Cameron
T. A. Lagerquist, Asst.
J. D. Scanlan, Asst.

V. M. Pyette
A. A. Kroetsch
N. A. Showell

<i>Branch :</i>	<i>Manager :</i>	<i>Branch :</i>	<i>Manager :</i>
Blenheim	C. W. W. Duff	Fort Erie, Main Office	W. T. Thorne
Bobcaygeon	H. W. Daniel	Niagara Blvd. & Bertie St.	H. A. Loughheed
Borden (<i>Canadian Forces Base</i>)	H. C. Newburn	Frankford	R. A. A. Demeester
Bothwell	N. A. Mumberson	Galt, Main Office	E. R. Johnson
Bowmanville	J. A. Bell	Dundas Street	H. J. Gosnell
Bracebridge	D. C. Dillabough	Gananoque	W. F. H. Barry
Bramalea	P. L. Both	Glencoe	R. R. King
Brampton	N. H. Kelly	Goderich	M. Rayner
	J. T. Kirkland, <i>Asst.</i>	Gore Bay	A. M. Webster
Brantford, Main Office	J. F. Horne	Grand Bend	R. P. Couse
	R. E. C. W. Wicks, <i>Asst.</i>	Grimsby	H. Dalgleish
Clark's Shopping Plaza	L. J. Setterington	Guelph, Main Office	H. W. H. Webster
St. Paul Ave. & Dublin Street	W. P. Lunn		J. C. Huck, <i>Asst.</i>
Bridgeport	K. W. Lindsay	Speedvale Ave. & Edinburgh Rd.	J. W. Bolus
	Sub. Agency to Kitchener	Haliburton	K. E. Wilson
Brockville	G. I. Beresford	Hamilton, Main Office	E. R. Taylor
Brucefield	Sub. Agency to Hensall		J. D. Oddie, <i>Asst.</i>
Burlington	S. M. Grant		J. F. Long, <i>Asst.</i>
Campbellford	A. B. Corless	Barton St. & Victoria Ave.	J. S. Andrews
Chapleau	O. J. McNabb	Central Market	R. E. Kennett
Chatham, Main Office	J. C. Foster	Erie Ave. & Main St.	M. J. Hefford
550 Richmond Street	N. Gordon	Fennel Ave. & James St.	C. B. McRoberts
St. Clair St. & McNaughton Ave.	D. E. Kinsman	Gage Ave. & Barton St.	S. G. Barton
Chatsworth	B. D. Sturrock	Holton Ave.	B. W. Halleran
Chippawa	D. Pass	James & Barton Sts.	E. E. R. Steele
City View	W. L. Miller	Kenilworth & Newlands Aves.	J. W. Argue
Clarkson	R. W. Young	Ottawa Street & Fennel Avenue	J. A. Ferguson
Clinton, Main Office	K. G. Flett	Queenston Rd. & Parkdale Ave.	C. D. Lemmon
<i>Canadian Forces Base</i>	Sub. Agency to Clinton	Ryckman's Corners	L. D. Ballentine
Cobourg	J. A. Kerr	Thorndale Ave. & Main St. W.	W. J. J. Thompson
Collingwood	H. M. Mitchell	Westinghouse Ave.	G. W. Woolford
Cooksville	A. E. Bayley	Hanover	W. R. Richardson
Cornwall, Main Office	A. D. Dalgarno	Hawkesbury	J. E. G. G. Begin
	E. G. Morgan, <i>Asst.</i>	Hensall	E. R. Luther
McConnell Ave. & Montreal Road	J. M. A. Belisle	Hespeler	J. H. Corley
Pitt & 14th Streets	R. W. Evans	Highgate	W. J. Hanson
Crediton	Sub. Agency to Exeter	Holstein	Sub. Agency to Mount Forest
Dashwood	Sub. Agency to Exeter	Ingersoll	A. W. Cooke
Deep River	J. M. Shannette	Ingleside	R. A. Murphy
Delhi	C. S. Richardson	Inwood	Sub. Agency to Alvinston
	W. C. Dunsford, <i>Asst.</i>	Iroquois	H. W. Townsend
Dixie, Dundas Highway &		Islington	R. G. Cage
Second Line East	A. G. McLean	Kapuskasing	D. R. Allen
Don Mills		Kincardine	J. Schepper
Eglinton Ave. & Don Mills Rd.	D. M. Brown	Kingston, Main Office	E. F. White
877 Lawrence Ave. East	W. J. H. O'Rourke		G. W. Hill, <i>Asst.</i>
Douglas	R. R. Willie	Princess & Barrie Sts.	P. P. Krafchik
Downsview		Westdale Ave. & Bath Rd.	E. B. Ziebarth
Jane St. & Sheppard Ave.	H. R. Harris	Kingsville	R. A. Bayne
Jane St. & Wilson Ave.	R. W. Hale	Kitchener, Main Office	W. A. Skoog
Keele Street & Finch Avenue	P. E. G. Gunn		F. T. Despond, <i>Asst.</i>
Sheppard Ave. & Bathurst St.	L. W. Elliott	Highland Rd. & Patricia Ave.	R. D. McLean
Drumbo	R. J. Zettler	HiWay Market	J. P. Soeder
Dundas	H. L. Precious	King & Ottawa Sts.	A. W. Underhill
Dunnville	L. D. Shelton		E. J. Wright, <i>Asst.</i>
Eastview, Beechwood Ave. &		Komoka	Sub. Agency to Market Square,
River Rd.	R. M. V. Meilleur		London
Eganville	H. C. Cooper	Lancaster	H. G. Copas
Elgin	L. R. Livesey	Langton	F. P. Morrissey
Elliot Lake	D. M. Kane	Lansdowne	D. J. A. Brawley
Elora	W. E. Wilson	Leamington	W. W. Lawrence
Essex	R. W. C. White		W. M. Armstrong, <i>Asst.</i>
Etobicoke	J. L. B. Gregory	Lindsay	F. G. Brewer
Exeter	C. L. Smith	Listowel	T. B. Pryde
Fenelon Falls	D. T. Goldsmith	Little Current	J. E. Bannister
Finch	J. R. Gannon	Londesborough	Sub. Agency to Clinton
Formosa	Sub. Agency to Teeswater		

Branch:

London, Main Office

Byron

City Hall
Dundas & Adelaide Sts.
Dundas & Third Sts.
Hamilton Road
Huron St. & Highbury Ave.
Hyde Park Rd. & Oxford St.
Market Square

Oxford & Linwood Sts.

University
Wellington Road
Wharncliffe & Base Line Roads
Wharncliffe Rd. S. & Duchess Ave.

Long Sault

Lucan
Lucknow
Manitowaning
Markdale
Markham
Meaford
Merlin
Midland
Mildmay
Millhaven
Milton
Mindemoya
Monkland
Morrisburg
Mount Forest
Napanee
Newington
Newmarket
New Toronto
Niagara Falls, Main Office
Clifton Hill
Main & Ferry Streets
North Bay, Main Office
2012 Trout Lake Rd.
Northbrook
Norwich
Oakville, Main Office
Kerr Street
Orillia
Oshawa, Main Office

Oshawa Shopping Centre
Ottawa, Main Office

Bank & Somerset Sts.

Baseline Rd. & Woodroffe Ave.
Cecil Ave. & Bank St.
Confederation Heights
Laurier Ave. & O'Connor St.
Montreal Rd. & St. Laurent Blvd.

Rideau St.

Smyth Rd. & St. Laurent Blvd.
1300 Carling Ave.
Wellington St. & Holland Ave.
Westboro
Owen Sound

Manager:

S. E. Goodwin
W. J. Herriot, *Asst.*
H. A. Henkel, *Asst.*
G. V. Hunt
H. E. G. Woods
S. P. Ashdown
J. F. N. Cutler
T. S. Doherty
D. F. Willis
J. E. Proderick
J. G. Lewa
W. E. Matthews, *Asst.*
R. D. J. Bedard, *Asst.*
A. M. LeClair
G. F. Dixon
G. Stringer
T. B. Hunt
J. W. Powell
Sub. Agency to Ingleside
I. A. Dallas
W. D. Ross
B. W. Little
G. T. P. Yenta
D. Boon
G. O. Hughes
G. K. Robertson
J. N. McKone
J. R. LaFrance
Sub. Agency to Kingston
J. Sempie
L. B. Malott
Sub. Agency to Finch
S. G. Walroth
C. McL. Thomas
K. K. Christian
Sub. Agency to Finch
A. B. Gillard
R. C. Harvey
J. H. P. Frederick
J. S. Chambers
J. P. Goldthorp
S. D. C. Trethewey
R. B. Bell
Sub. Agency to Tweed
B. F. D. Bowman
C. W. Rotchell
L. S. Cameron
S. L. Wellwood
J. McCansh
R. A. Read, *Asst.*
D. J. Shanahan
F. W. Troop
J. W. Robertson, *Asst.*
E. M. Breakwell, *Asst.*
R. D. J. Andrews, *Asst.*
M. W. Howey
J. C. McDonald
W. J. Weber
R. G. Bedard
A. J. McRoberts
J. Roberts
E. A. Rogerson, *Asst.*
A. Elliot
R. V. T. Drake
R. J. Fruin
D. A. T. Davis
A. J. Coyle
W. P. MacLean

Branch:

Paincourt
Paris
Pelee Island
Pembroke
Perth
Petawawa (*Canadian Forces Base*)
Peterborough, Main Office

Brookdale Plaza
Hunter & Rogers Streets
Pictou
Point Edward
Port Colborne
Port Credit
Dixie Plaza
Lakeview
Prescott
Preston
Renfrew
Rexdale

Islington Ave. & Elmhurst Drive
Rexdale Blvd. & Kipling Ave.
Richmond Hill
St. Catharines, Main Office

Facer St. & Parkview Rd.
Geneva St. & Welland Ave.
St. Eugene
St. George
St. Marys
St. Thomas, Main Office
East End
Elm Street & First Avenue
Sarnia, Main Office

Mitton & Wellington Sts.
Northgate
Sault Ste. Marie, Main Office

Korah Rd. & Douglas St.
Pine & McNabb Sts.
Scarborough
Eglinton Ave. East & Brimley Rd.
Ellesmere & Brimley Rds.
Kennedy Park Shopping Centre
Kingston Rd. & Fenwood Heights
Lawrence & Warden Aves.
Markham Rd. & Painted Post Drive
St. Clair & Pharmacy Aves.
Simcoe

Smiths Falls
Stirling
Stoney Creek
Stratford
Sudbury, Main Office

LaSalle Blvd. & Barry Downe Ave.
Ontario & Regent Sts.
Tara
Teeswater
Thamesville
Thorndale, (Sub. Agency to
Market Square, London)
Thorold

Manager:

Sub. Agency to Chatham
C. E. Abott
Sub. Agency to Leamington
B. G. Foreman
C. W. Hall
A. C. Welk
C. E. Parker
A. F. White, *Asst.*
J. E. Mair, *Asst.*
K. R. McVeety
Sub. Agency to Peterborough
G. A. Oden
G. G. McAllister
J. R. Walker
J. T. Parry
G. A. Buchanan
J. K. Honeyman
H. D. Cougler
W. A. Child
N. E. Herst
J. F. Hodgins
D. J. Montague
H. B. Kaye
D. C. Feaver, *Asst.*
D. W. Ritchie, *Asst.*
H. A. Toldy
J. S. Alexander
J. M. R. Rousseau
G. L. Reyecraft
C. F. E. Schaefer
C. D. McAlpine
J. M. McKinney
G. E. Male
R. J. Mitton
G. B. Dea, *Asst.*
A. D. Ryder
J. E. Goodman
D. L. MacIntosh
P. J. E. D. Duval, *Asst.*
C. C. Rowe
J. R. McElhone
E. M. Chambers
J. V. H. Godfrey
A. H. G. Grieve
L. O. Cordick
E. B. J. Hilderley
F. G. Armstrong
W. J. Hickman
A. P. Yule
W. H. O'Brien, *Asst.*
H. J. Anderson
I. L. Rawlings
J. R. M. Munro
R. E. Barrett
J. M. Murphy
J. McCallion, *Asst.*
H. G. Kieswetter
J. Kelderman
C. K. Rose
W. M. Wardley
W. J. Klein
G. O. Kavanagh, *Acct.-in-charge*
R. E. Collyer

<i>Branch :</i>	<i>Manager :</i>	<i>Branch :</i>	<i>Manager :</i>
Tilbury	J. N. C. Macleod	Roselawn Ave. & Yonge St.	H. H. McLelland
Tillsonburg	D. F. Hillier	Royal York Hotel	R. D. Allen
	J. S. Dietz, <i>Asst.</i>	St. Clair Ave. West & Avenue Rd.	H. W. Armitage
Timmins	J. K. Irvin	St. Clair Ave. West & Robina Ave.	N. B. D. Johnston
Toronto, Main Office	J. R. McLean	1226 St. Clair Ave. West	H. M. James
	W. Ormrod, <i>Deputy</i>	St. George & Bloor Sts.	K. S. McKellar
	W. R. Wallace, <i>Asst.</i>	St. Lawrence Market	H. C. Ludlow
	N. R. Puffer, <i>Asst.</i>	Shell Building	M. G. Pattullo
	H. C. Skeet, <i>Asst.</i>	Spadina Ave. & Adelaide St.	E. L. McGlening
	D. Haldenby, <i>Asst.</i>	Stonagate Shopping Centre	J. A. Walton
	A. Woodburn, <i>Asst. (Securities)</i>	Thorncliffe Park	W. Smouter
Armour Heights	H. E. Brayman	University Ave. & College St.	C. C. Waller
Bathurst St. & Frontenac Ave.	P. H. M. Bannister	Yonge St. & Chaplain Crescent	W. G. Keyes
Bathurst & King Sts.	W. J. MacKay	Yonge St. & Eglinton Ave.	L. E. Flood
Bay & Breadalbane Sts.	R. J. F. Adams	Yonge & Queen Sts.	F. L. Steeves
Bloor & Bay Sts.	M. C. Woodcock		J. W. Nelles, <i>Asst.</i>
	D. R. MacLaren, <i>Asst.</i>		G. P. Davidsen, <i>Asst.</i>
Bloor St. & Euclid Ave.	B. Meara	Yonge St. & St. Clair Ave.	B. R. Mahon
Bloor St. & Lansdowne Ave.	B. Jarrett	Trenton, Main Office	R. P. Hotson
Bloor St. & Windermere Ave.	J. D. McKillop	Canadian Forces Base	Sub. Agency to Trenton
Board of Trade Building	N. MacLellan	Tweed	H. C. McLean
Brown's Line & Evans Ave.	R. D. Murchison	Verona	W. C. Smith
Church & Charles Sts.	I. A. McDonald	Walkerton	F. D. Wilford
College Street	G. Goodbody	Walkerville, Main Office	W. E. Baggs
	J. L. Deane, <i>Asst.</i>	Walker Road	R. A. Purton
Danforth & Logan Aves.	E. A. Scott	Wallaceburg, Main Office	A. A. Johnson
Danforth Ave. & Dawes Rd.	F. E. Charlton	605 Wallace Street	Sub. Agency to Wallaceburg
Dufferin St. & Celt Ave.	H. A. Farrant	Wardsville	A. DeBruyne
Dundas & Keele Sts.	C. W. Iley	Waterford	J. H. Steacy
Dundas St. & Roncesvalles Ave.	H. B. Whittaker	Waterloo, Main Office	E. H. W. Foerster
Dupont & Christie Sts.	K. C. Manuell	University Ave. & Philip St.	A. Thompson
Dupont St. & Symington Ave.	R. C. Robinson	Watford	E. M. Rowsell
East York	R. S. Thurtell	Wawa	G. J. B. Sabourin
Eglinton Ave. & Castle Knock Rd.	G. P. Beck	Welland	D. S. Stewart
Eglinton Ave. & Hilltop Rd.	F. M. Bishop	West Lorne	F. Caley
Eglinton Ave. & Holly St.	J. A. Hayter	Weston, Main Office	H. M. Paton
Fairbank	V. R. Stammers	2400 Finch Avenue West	M. A. Graham
Front & Yonge Sts.	K. R. McNaughton	Martin Grove Gardens	R. P. Daniel
	B. G. Johnston, <i>Asst.</i>	Royal York Road & Trehorne Drive	D. M. Lowe
Hounslow Heath Rd. & St. Clair Ave.	L. I. Ferguson	Westport	H. M. Bell
Jane Park Plaza	H. P. Crook	Whitby	D. L. Robertson
King & Dufferin Sts.	J. A. Cole	Williamsburg	J. A. Atchison
King & Yonge Sts.	J. S. Hughes	Williamstown	Sub. Agency to Lancaster
	R. W. Jones, <i>Asst.</i>	Willowdale	
	V. Dobb, <i>Asst.</i>	Leslie Street & Nymark Avenue	D. H. S. Williams
	J. F. A. Camps, <i>Asst.</i>	Towne and Countryside Square	D. J. Pulcin
	F. E. Farlinger, <i>Asst. (Securities)</i>	5251 Yonge Street	J. A. Doherty
Kingsway	H. F. Lashbrook	Yonge Street & Cummer Ave.	R. F. Defrayne
Lake Shore Blvd. & Park Lawn Rd.	J. A. Lohead	Windsor, Main Office	R. J. Battle
Leaside	J. H. Mather		E. J. Steckley, <i>Asst.</i>
Mimico	W. S. K. Ekins	Ellis & Ouellette Aves.	C. K. Sewell
Ontario Food Terminal	J. E. Nagle	Grand Marais Road & Curry Ave.	G. B. M. Thompson
Queen St. East & Beech Ave.	L. D. Bishop	Ouellette Ave. & Tuscarora St.	R. J. Cunningham
Queen St. & Broadview Ave.	A. E. Begin	Riverside	H. A. Thompson
Queen & Leslie Sts.	E. T. G. Hodgins	Tecumseh Blvd. & Moy Ave.	C. F. Robinson
Queen St. & O'Hara Ave.	C. W. Hodgert	University Avenue	A. Palfrey
Queen & Portland Sts.	J. C. McWilliam	Wolfe Island, Marysville	Sub. Agency to Kingston
Queen's Park	W. L. McGee	Woodbridge	W. A. R. Thompson
Queensway	R. G. Ketcheson	Woodstock	C. W. Pratt
Richmond St. & University Ave.	I. B. Gordon	Yarker	Sub. Agency to Verona
		Zurich	H. J. R. McKinnon

Manitoba and Saskatchewan Division

335 Main Street,
WINNIPEG, MAN.

Senior Vice-President :
H. L. McKAY

Divisional Officers

T. F. Blair	T. N. Dickson	A. J. Henderson	W. H. Moise	J. C. D. Thomas
E. J. Brown	W. G. Gooderham	E. B. McLean	F. J. Pugh	G. F. Tutt

District Managers

W. D. Anderson	W. H. Hill	A. C. Hubble	C. R. MacDonald	C. L. Wittmann
----------------	------------	--------------	-----------------	----------------

Branch :

Allan, Sask. Allan Potash Minesite
Arboretfield, Sask.
Assiniboia, Sask.
Battleford, Sask.
Beausejour, Man.
Belmont, Man.
Bienfait, Sask.
Brandon, Man.

Burstall, Sask.
Canora, Sask.
Carberry, Man.
Carman, Man.
Carnduff, Sask.
Charleswood, Man.
Churchbridge, Sask.
Darlingford, Man.
Dauphin, Man.

Manager :

Sub. Agency to Saskatoon
R. A. Vrooman
E. C. Hopper
R. H. Skinner
L. E. McDannold
A. A. Nichol
Sub. Agency to Estevan
J. Douglas
E. M. Van de Graaf, *Asst.*
Sub. Agency to Fox Valley
A. D. Williams
E. F. Cox
J. C. Daly
G. C. Johnston
A. Taylor
J. D. Eggie, *Acct.-in-charge*
Sub. Agency to Morden
C. N. Bentham

Branch :

Davidson, Sask.
Domremy, Sask.
Dryden, Ont.
Duck Lake, Sask.
(Sub. Agency to Rosthern)
Eastend, Sask.
East Kildonan, Man.
Esterhazy, Sask.
Estevan, Sask.

Fort Garry, Man., Main Office
University of Manitoba Campus
Fort William, Ont., Main Office

East End
Fox Valley, Sask.
Gimli, Man.
Gladstone, Man.

Manager :

W. D. Campbell
S. M. J. Gerwing
W. H. Macnab
L. J. Moore, *Acct.-in-charge*
D. C. Shannon
R. Parkinson
W. L. Jones
N. Taylor
R. C. Jordon, *Asst.*
G. S. Marshall
E. A. F. Scott
C. L. Haines
P. E. Villeneuve, *Asst.*
J. H. Russell
A. S. C. Cooper
D. T. George
J. G. Vicq

<i>Branch :</i>	<i>Manager :</i>	<i>Branch :</i>	<i>Manager :</i>
Hague, Sask.	Sub. Agency to Rosthern	St. Vital, Man.	H. L. George
Hartney, Man.	W. J. Brownell	Saltcoats, Sask.	S. J. Lewis
Herbert, Sask.	J. A. Sharp	Saskatoon, Sask., Main Office	A. E. Gedge
Hudson Bay, Sask.	T. I. Bell		J. B. Folkersen, <i>Asst.</i>
Kamsack, Sask.	J. C. Cowling	Cumberland Square	H. R. Skene
Kelliher, Sask.	G. M. White	11th Street West (Stockyards)	Sub. Agency to West Side Branch
Kirkfield Park, Man.	P. A. E. J. Van Der Elst	Market Mall	D. J. Cooper
Lac du Bonnet, Man.	F. B. McQuade	Sutherland	S. E. Sutton
Lake Lenore, Sask.	H. W. Ohirko	West Side	N. C. Munson
Lampman, Sask.	Sub. Agency to Estevan	Selkirk, Man.	A. M. Wiggins
La Ronge, Sask.	E. H. Lindgren	Semans, Sask.	A. A. Gerwing
Limerick, Sask.	Sub. Agency to Assiniboia	Schreiber, Ont.	J. E. Friesen
MacGregor, Man.	G. D. Noble	Sioux Lookout, Ont.	C. J. Fisher
Maple Creek, Sask.	G. W. Dallin	Souris, Man.	W. H. Emrick
Melville, Sask.	G. N. Andreasen	Strongfield, Sask.	Sub. Agency to Outlook
Moose Jaw, Sask., Main Office	D. A. L. Black	Swan River, Man.	J. H. B. Barry
South Hill	J. L. D. Coates	Swift Current, Sask.	S. T. McCulloch
Moosomin, Sask.	G. W. Thompson	The Pas, Man.	S. K. Banks
Morden, Man.	B. C. Innes	Thompson, Man.	H. J. C. Boyd
Morris, Man.	G. B. Hilton	Tisdale, Sask.	I. R. Richardson
Neepawa, Man.	C. Astley	Tuxedo, Man.	E. J. Cote
Ninette, Man.	Sub. Agency to Belmont	Unity, Sask.	L. C. Livesley
Nipawin, Sask.	C. E. Cuthbert	Wakaw, Sask.	E. W. Goodrick
North Battleford, Sask.	N. A. Folkersen	Waldheim, Sask.	Sub. Agency to Rosthern
North Kildonan, Man.	J. T. Patterson	Weyburn, Sask.	W. J. Speers
Oak Lake, Man.	Sub. Agency to Brandon	Whitewood, Sask.	E. G. Brown
Oak River, Man.	R. A. Pennington	Winnipeg, Man., Main Office	R. T. W. Salton
Outlook, Sask.	A. B. Jackson		J. N. Baillie, <i>Deputy</i>
Pelly, Sask.	Sub. Agency to Kamsack		J. C. McLeod, <i>Asst.</i>
Piapot, Sask.	Sub. Agency to Maple Creek		H. M. Campbell, <i>Asst.</i>
Pinawa, Man.	E. M. Ingersoll		K. M. Westby, <i>Asst.</i>
Porcupine Plain, Sask.	R. D. Carnduff	Academy Road & Lanark St.	H. M. Creedon
Portage la Prairie, Man., Main Office	N. G. Douglas	Bannerman Ave. & Main St.	G. E. Haerberle
Canadian Forces Base	Sub. Agency to Portage la Prairie	Broadway Ave. & Carlton St.	R. J. Cox
Port Arthur, Ont., Main Office	V. G. Macready	Courts of St. James (St. James)	C. T. Wilcox
	H. L. A. MacKinnon, <i>Asst.</i>	Ellice Ave. & Berry St. (St. James)	E. S. Stonehouse
Inter-City	J. V. McKay	Fort Rouge	I. B. Jurgens
Lakehead University Campus	Sub. Agency to Port Arthur	Great-West Life	R. B. Heap
Prince Albert, Sask.	E. D. Wickens	Higgins Ave. & Main St.	P. R. Stickney
Punnichy, Sask.	R. C. Laidlaw	Logan Ave.	J. W. Weston
Regina, Sask., Main Office	J. L. Dick	McGregor St. & Selkirk Ave.	J. E. Meikle
	G. W. Scaif, <i>Asst.</i>	Morley Ave. & Osborne St.	D. E. Van der Ploeg
	H. J. Booth, <i>Asst.</i>	Mountain Ave. & McGregor St.	J. W. Lees
Avord Tower	J. B. Stout	Mountain Ave. & McPhillips St.	V. V. Hassett
East Side	I. L. Benson	Nairn Ave. & Bird's Hill Road	S. E. Windsor
Highland Park	M. W. Trapp	Notre Dame Ave. & Beverley St.	D. MacDougall
North Side	T. H. Gallant	Portage Ave.	T. A. Parnell
	F. R. G. Hardy, <i>Asst.</i>	Portage Ave. & Gouling St.	G. L. M. Tippet
25th Avenue & Albert Street	R. M. Love	Portage Ave. & Vaughan St.	R. T. Kerr
Victoria Avenue & Albert Street	A. J. MacDonald	Portage Ave. & Whytewold Rd.	
Reston, Man.	R. C. Muskett	(St. James)	L. P. Hazen
Rose Valley, Sask.	G. K. Johannesen	Tribune Building	J. W. L. Jones
Rosthern, Sask.	J. W. McMunn	Wheat Board	P. W. McNeill
Ste. Anne, Man.	Sub. Agency to St. Boniface	Winnipeg General Hospital	Sub. Agency to Notre Dame Ave.
St. Boniface, Man.	J. G. M. Vachon		& Beverley Street Branch
St. Claude, Man.	Sub. Agency to Carman		A. F. R. Lee
St. Lazare, Man.	L. W. McWilliams		J. M. Parr
St. Norbert, Man.	J. L. A. Cote		G. O. Warner, <i>Asst.</i>
		Wynyard, Sask.	
		Yorkton, Sask.	

Alberta Division

140 Eighth Avenue West,
CALGARY, ALTA.

Senior Vice-President :

J. B. JONES

Divisional Officers

R. F. Black	H. E. Buck	W. G. Campbell	W. G. Dawson	K. R. Gibbs
W. W. Holmes	G. M. O'Keefe	G. H. Pink	R. W. Thompson	

District Managers

N. B. Keith	R. N. Lee	T. G. Trehearne
-------------	-----------	-----------------

Branch :

Acme
Alliance
Banff
 Banff Springs Hotel
Bentley
Bow Island
Calgary, Main Office

Brentwood Plaza
B.A. Oil Building (Elveden House)
Chevron Standard Building
City Hall
Elbow Park
Fifth Street West

Haysboro Shopping Centre

Manager :

B. K. Harper
F. Abbott
M. G. R. Wingert
(Summer Season only)
J. R. Anderson
W. G. Townsend
H. M. MacDougall
 F. H. Mowatt, *Asst.*
 J. E. M. Jones, *Asst.*
 I. E. Henke, *Asst.*
S. E. P. Morris
D. W. Iverach
J. Penner
F. L. Gundry-White
G. K. Hislop
J. A. Richards
 G. C. Harrison, *Asst.*
J. O. Taylor

Branch :

Highfield District
Hillhurst
Macleod Mall Shopping Centre
Macleod Trail
North Hill
17th Ave. West & 7th St.
7th Avenue West
Stock Yards
University Campus
Westbrook Shopping Centre
Calmar
Camrose
Canmore
Carbon
Carstairs
Castor
Chauvin
Claresholm

Manager :

R. G. Trueman
C. C. MacLaren
H. W. Dowkes
H. G. Johnston
A. D. Burke
D. J. H. Tidey
G. D. Jobb
C. W. Hood
G. R. Rance
R. M. Talbot
T. K. Stoddart
J. A. Barr
Sub. Agency to Banff
W. E. Hanrahan
M. B. Simpson
A. Barteski
S. Falebrenza
T. P. Buchanan

Branch :

Clyde
Coaldale
Cremona
Daysland
Delburne
Drumheller
Edgerton
Edmonton, Main Office

Bonnie Doon Shopping Centre
Bonnie Doon Shopping Centre,
(Sub. Agency to Bonnie Doon
Shopping Centre)
Chancery Hall
Gold Bar
Griesbach (*Canadian Forces Base*)
Jasper Place
Lynnwood
97th Street
North Edmonton
118th Avenue
108th Street & Kingsway Avenue
145th Street & 118th Avenue
103rd Street & Jasper Ave.
112th Street & 87th Avenue
(Campus Tower)
124th Street
Shoppers' Park - Westmount
South Side

Windsor Park - University District
Exshaw
Falher
Fawcett
Forestburg
Grande Prairie
Grassy Lake
High Level
Hughenden
Irma
Killam
Lacombe

Manager :

Sub. Agency to Westlock
W. H. Wyand
Sub. Agency to Carstairs
C. H. Smith
L. F. McCray
E. H. Leigh
N. S. Milke
F. T. Judah
F. A. Nolan, *Asst.*
N. H. Williams, *Asst.*
D. M. McPhail, *Asst.*
H. Loggin
J. A. D. Scoular, Acct.-in-charge
W. M. Sutherland
Miss S. L. Nicholson
Sub. Agency to Edmonton
D. E. Weir
W. H. R. Gardiner
E. E. Ohberg
D. E. Alfrey
R. H. Faulkner
R. A. Ireland
Sub. Agency to Edmonton
A. I. Hamilton
R. W. McLennan
H. F. M. Forestier
H. B. Mercereau
T. A. M. Bradley
R. A. Barr, *Asst.*
M. H. Gerwing
Sub. Agency to Banff
J. R. B. J. Girard
Sub. Agency to Westlock
A. W. Roddick
P. J. Munsch
Sub. Agency to Taber
E. Eichele
A. L. Anderson
M. C. Fowell
L. E. Cloutier
R. Conner

Branch :

Lake Louise (Chateau Lake Louise
Branch)
Lancaster Park
(*Canadian Forces Base*)
Leduc
Lethbridge, Main Office
North Lethbridge
Lloydminster, Alta.-Sask.
Lougheed
Magrath
Medicine Hat, Main Office
7th Street, South-West
Morrin
Myrnam
Nobleford
Olds
Paradise Valley
Penhold (*Canadian Forces Base*)
Pine Point, N.W.T.
Ponoka
Rainbow Lake
Raymond
Red Deer, Main Office

59th Street
40th Avenue & 39th Street
Rimbey
St. Albert
Sedgewick
Strome
Sundre
Taber
Thorsby
Tofield
Trochu
Two Hills
Valleyview
Vegreville
Viking
Wainwright
Warburg
Westlock
Wetaskiwin
Whitecourt

Manager :

(Summer Season only)

Sub. Agency to Edmonton
G. H. Copple
W. G. Clarke
L. J. W. Grove, *Asst.*
A. C. Kiessling
L. M. Kennedy
Sub. Agency to Sedgewick
W./A. Sparks
J. Gillanders
D. A. Schmidt
H. J. Pearce
N. W. Munn
Sub. Agency to Lethbridge
H. J. Steele
Sub. Agency to Lloydminster
Sub. Agency to Red Deer
G. K. Rolle
R. A. Holmes
O. S. H. Knudskov
B. R. Scott
W. D. C. deBalinhard
K. D. Robson, *Asst.*
Sub. Agency to Red Deer
M. A. Seal
W. M. Slipp
J. A. A. Tardif
C. W. Clark
Sub. Agency to Daysland
R. H. Paulson
E. G. Leigh
E. E. George
H. G. Seller
G. W. Andrews
V. G. Rancier
R. L. Leitch
A. G. Green
J. M. Roddis
E. C. Carrier
Sub. Agency to Thorsby
E. J. Buchanan
D. J. Purcell
T. R. Sveinson

British Columbia Division

640 Pender Street West,
VANCOUVER, B.C.

Senior Vice-President:

A. J. ELLIS

Vice-President and Manager, Main Vancouver Branch:

W. FORSYTH

Divisional Officers

T. W. G. Ashton	H. F. Dooyeweerd	N. J. Grycan	J. R. Harford	W. D. James	M. R. Nutter
G. F. Robertson	I. M. Stewart	R. J. Stranks	R. G. Truss	G. O. Vandervoort	

District Managers

H. H. Bridger	R. Dobson	R. F. Guthrie	P. D. V. Murison	A. E. Walters	G. L. Williams
---------------	-----------	---------------	------------------	---------------	----------------

Branch:

Abbotsford
Agassiz
Alberni
Ashcroft
Bralorne
Burnaby, Main Office
Brentwood
Willingdon Ave. & Hastings St.
Campbell River
Castlegar
Chilliwack
Clinton
Cloverdale
Coquitlam
Courtenay
Cranbrook
Dawson, Yukon
Dawson Creek
Duncan

Manager:

W. R. Wellings
D. F. Galloway
G. W. Harris
C. H. Bartlett
E. G. Pow, Acct.-in-charge
J. F. Jewitt
R. D. Minnion
R. B. Fulwell
L. C. Earle
G. E. Paulson
T. A. B. Larson
G. D. Younghusband
R. G. Birch
J. W. Ferguson
A. A. Mellin
A. T. Hinchliffe
M. S. Rogers
T. C. Hives
W. J. Lambeth

Branch:

Enderby
Fort St. John
Fruitvale
Ganges
Gibsons
Golden
Grand Forks
Granduc Mines Millsite
Haney

Hope
Kamloops

Kaslo
Kelowna, Main Office

Shops Capri
Kimberley

Manager:

T. K. Smith
W. B. Wallace
Sub. Agency to Trail
C. J. F. Merston
T. F. Daugherty
T. E. McNary
P. M. H. Walker
Sub. Agency to Stewart
J. H. Brown
J. R. Pagnier, *Asst.*
J. F. Donnelly
A. R. W. Wilson
D. A. Lucken, *Asst.*
H. Welter
T. C. Melville
E. J. Lindwall, *Asst.*
A. A. Campbell, *Asst.*
G. L. Green
R. F. Cornwall

Branch :

Kitimat
 Lac la Hache
 Ladner —
 Tsawwassen Shopping Centre
 Langley
 Maillardville
 Marysville
 Merritt
 Nanaimo, Main Office

 Harewood
 Terminal Park
 Nelson
 New Denver
 Newton Branch, North Surrey
 New Westminster, Main Office

 Market
 Sapperton
 6th Ave. & 6th Street
 West End
 North Vancouver, Main Office
 Lower Capilano
 Lynnmour
 3060 Edgemont Blvd.
 Upper Lonsdale
 Osoyoos
 Peachland
 Pender Harbour (Madeira Park)
 (Sub. Agency to Sechelt)
 Penticton, Main Office

 Penticton Plaza
 Port Alberni
 Port Coquitlam
 Port Hammond
 Port Mellon
 Powell River, Main Office
 Westview
 Prince George, Main Office

 15th Ave. & Central Street
 Prince Rupert
 Quesnel
 Richmond, Brighouse
 Riondel
 Rossland
 Sechelt
 Sicamous
 Sidney
 Smithers
 Stewart
 Summerland
 Terrace
 Trail, Main Office
 East Trail
 Vancouver, Main Office

Broadway & Main St.

Manager :

A. B. Laxton
 Sub. Agency to Williams Lake

J. R. Wells
 J. C. Jeffery
 J. G. Moss
 Sub. Agency to Kimberley
 C. G. Brown
 R. V. McHallen
 D. J. Williams, *Asst.*
 Sub. Agency to Nanaimo
 R. Davis
 P. E. Thompson
 G. E. Neave
 D. B. Macrae
 J. B. McCallum
 D. J. Kavanagh, *Asst.*

J. W. Wakley
 G. W. Lynes
 E. V. Ardagh
 C. T. Onions
 J. O. Boyce
 A. M. J. Field
 W. H. Crowther
 R. L. W. Spinks
 G. Dodds
 E. F. Murray
 Sub. Agency to Westbank

G. A. Burrett, *Acct.-in-charge*
 J. M. McLennan
 D. L. Morris, *Asst.*
 S. P. Chorney
 C. R. Jackson
 R. A. Jack
 R. H. Lywood
 Sub. Agency to Gibsons
 G. T. German
 D. C. Harris
 H. C. Boeckner
 D. R. Oram, *Asst.*

J. W. Howes
 E. J. V. Harwood
 E. S. Bradshaw
 G. G. Bruce
 Sub. Agency to Nelson
 E. N. Henniker
 E. W. Booth
 K. G. Bissett
 S. D. Smith
 R. F. Smith
 J. N. Sweetlesnoff
 G. C. Johnston
 H. C. Street
 F. E. Scott
 Miss M. L. Rowe
 W. Forsyth
 B. H. Campbell, *Deputy*
 A. F. Snider, *Asst.*
 R. H. Nicholls, *Asst.*
 J. D. Mushet, *Asst.*
 G. T. Steenson, *Asst.*
 J. E. A. Leslie, *Asst. (Securities)*
 C. D. Gilliland

Branch :

Broadway & Willow St.
 Broadway & Yew St.
 Carrall & Hastings Sts.

Commercial Drive
 Denman St.
 1149 Granville St. (Davie District)
 English Bay
 41st Ave. & Oak St.
 (Sub. Agency to Kerrisdale)
 41st Ave. & Victoria Dr.
 4th Avenue & Alma Road
 4th Avenue & Balsam Street
 Georgia & Thurlow Sts.

Grandview Highway & Rupert St.
 Homer & Hastings Sts.
 Hotel Vancouver
 Kerrisdale
 Knight Road & Kingsway District
 Main & Hastings Sts.

Marine Building

Pender & Columbia Sts.

Prior & Main Sts.
 65th Avenue & Main Street
 10th Avenue & Granville Street

10th Avenue & Sasamat St.

28th Ave. & Dunbar St.
 2515 East Hastings St.
 27th Ave. & Fraser St.
 University Campus
 Vancouver General Hospital
 Vancouver A.M.F., Airport Branch
 Vernon

Victoria, Main Office

Cook & Quadra Sts.
 Esquimalt
 Government St.
 North Douglas
 Oak Bay
 Richmond Ave. & Fort St.
 Royal Oak
 University of Victoria Campus
 Westbank
 West Vancouver, Main Office
 Dundarave
 Park Royal
 Whalley Branch, North Surrey
 Watson Lake, Yukon
 Whitehorse, Yukon
 White Rock, Main Office
 Hilltop
 Johnston & North Bluff Rds.
 Williams Lake

Manager :

H. E. Coton
 T. W. S. Pope
 R. Farrell
 B. Bellamy, *Asst.*
 F. M. Crowhurst
 R. W. Taylor
 V. L. H. Dean
 G. N. Voskamm

J. A. Davies, *Acct.-in-charge*
 D. B. Cran
 J. T. Jones
 J. R. Fraser
 S. F. Smith
 R. Bell, *Asst.*
 A. P. S. Gordon
 H. S. Woodd
 J. A. McWha
 G. F. Coombe
 W. L. Lythgoe
 R. L. Nelles
 W. R. Johnson, *Asst.*

A. J. F. Peel
 P. C. Noel, *Asst.*
 T. Mah
 Mrs. R. E. M. Remor, *Asst.*
 R. W. S. Johnston
 H. T. Witty
 S. M. Davison
 R. H. Radcliffe, *Asst.*
 B. D. Harwood, *Asst.*
 S. Kouwenhoven, *Asst.*
 G. S. Scholefield
 Miss T. A. Murphy, *Asst.*

H. J. Chalk
 A. H. Jones
 G. A. Fettes
 G. F. Peirson
 J. A. Theed
 J. G. F. Elmsley
 H. W. Steel
 N. J. Sutherland, *Asst.*
 J. A. Baines
 G. W. G. Day, *Asst.*
 J. S. T. Bourque, *Asst.*

D. H. McNab
 I. H. Solly
 G. H. F. Maycock
 G. Goertzen
 F. H. Hawkins
 T. B. Dunfield
 P. A. Haggerty
 R. H. Hackney
 C. C. Purdy
 J. G. S. Thompson
 N. E. Pfeifer
 P. S. Vale
 J. L. Harder
 J. N. Skelton
 N. R. Foster
 J. R. Elliott
 D. P. Austin
 J. T. Mullin
 I. Vaage
 D. H. Johnston, *Asst.*

OFFICERS OUTSIDE CANADA

GREAT BRITAIN

London — Main Office, 47 Threadneedle Street, London, E.C. 2
Vice-President for the United Kingdom and Manager: D. R. McCALLUM
Deputy Manager, H. N. Little
Assistant Managers, S. S. Harris, P. A. Browning, A. M. de Vinny

West End Office, 9 Waterloo Place, London, S.W. 1
Manager, E. M. West
Assistant Manager, C. A. D. Cole

•

CONTINENTAL EUROPE

<p style="text-align: center;">FRANCE</p> <p>Paris — 10 Place Vendôme, Paris 1er <i>Vice-President for</i> <i>Continental Europe:</i> C. E. NOBLET <i>Representative,</i> J. P. Robillard</p>	<p style="text-align: center;">FEDERAL REPUBLIC OF GERMANY</p> <p>Düsseldorf — Königsallee 6 <i>Representatives,</i> R. J. R. Bonneland, H. C. Hartmann</p>
---	---

Offices for the Armed Forces

Baden-Baden: J. B. Sinclair; Hemer: E. N. Myrholm; Lahr: G. D. Pehleman; Soest: J. A. Graham;
Werl: J. J. M. Tourigny; Zweibrücken: K. G. Belcour

■

UNITED STATES

New York, N.Y. — Agency, Bank of Montreal, Two Wall Street, New York 10005
Vice-President and Chief Agent
G. V. ADAMS

<i>Agents</i>		<i>Assistant Agents</i>	
R. J. Allen	W. M. Mader	T. P. Grimes	W. F. Hudkins

Agency Officers

H. C. Gould	G. M. G. Johnstone	A. C. P. Jones	W. C. Moore	G. H. Morgan	I. R. Stahl
-------------	--------------------	----------------	-------------	--------------	-------------

Bank of Montreal Trust Company, Two Wall Street, New York 10005
President, G. V. Adams; *Vice-Presidents,* R. J. Allen, C. E. Neuebaumer;
Secretary, D. Gillies; *Treasurer and Assistant Secretary,* G. W. Jackson

<p>Chicago, Ill.</p> <p><i>Resident Representative's Office,</i> Suite 2700, Board of Trade Building, 141 West Jackson Blvd., Chicago 60604 <i>Representatives,</i> H. B. Francis, T. A. O'Donnell</p>	<p>Houston, Texas</p> <p><i>Resident Representative's Office,</i> Suite 413, 1021 Main Street, Houston 77002 <i>Representative,</i> R. C. Howard</p>
--	--

UNITED STATES (continued)

BANK OF MONTREAL (California)

San Francisco

333 California Street, San Francisco 94104

Chairman, C. R. M. ALLAN

President, F. R. Southee;

Vice-President, Derek Whittle

Sacramento — 812 J Street, Sacramento 95814 (to be opened in January 1968)

Vice-President, D. S. Prest

Los Angeles

508 South Spring Street, Los Angeles 90013

Senior Vice-President, D. B. Jewell

Vice-President, G. E. Smith

DIRECTORS

Resident in San Francisco: C. R. M. Allan, F. R. Southee, R. D. Mackenzie, Donald Watson, Derek Whittle

Resident in Los Angeles: John R. Mage, D. B. Jewell, Nathaniel Paschall

Resident in Vancouver: Harold S. Foley

MEXICO

Mexico City Representative's Office

Avenida Isabel la Catolica 43-704, Mexico 1, D.F.

Representative, Dr. Luis A. Gonzalez

Assistant Representative, W. J. Carr

JAPAN

Far East Representative's Office

Tokyo — New Tokyo Bldg., Room 419, No. 2, 3-chome, Marunouchi, Chiyoda-ku

Representative, R. J. P. Pierce; *Assistant Representative*, D. A. Jorgensen

CARIBBEAN AREA

Affiliate: BANK OF LONDON & MONTREAL LIMITED

Head Office, Nassau, Bahamas

(Owned jointly by Bank of Montreal, Bank of London & South America, Limited and Barclays Bank, D.C.O.)

41 Offices in The Bahamas, Colombia, Ecuador, El Salvador, Guatemala, Honduras, Jamaica, Nicaragua, Panama and Trinidad

In Venezuela the Bank is represented through its shareholdings in

Banco La Guaira Internacional C.A.

DIRECTORS

Chairman: R. D. Mulholland (*resident in Montreal*)

Deputy Chairmen: Sir George L. F. Bolton, K.C.M.G. (*resident in London*)

George G. Money (*resident in Bridgetown, Barbados*)

Resident in London, England: Sir Julian S. Crossley, J. Graham, Brian F. Macdona, Hugh Saunders, O.B.E., Frederic Seebohm, Henry F. Tiarks;

Resident in Montreal: W. A. Arbuckle, G. Arnold Hart, S. T. Strathy;

Resident in Lima, Peru: Jack Ashworth, F.C.A.;

Resident in Nassau, Bahamas: Noé A. Timmins, Jr.

EXECUTIVE OFFICERS

Head Office, Nassau, Bahamas — *General Manager*: W. E. Parker;

Assistant General Managers: E. J. Grimsditch,

L. V. Laxton (*resident in Guatemala City*)



September 25, 1967

Business Review



Anniversary Issue



Place d'Armes—1848

Less than two years after it opened in rented premises on St. Paul Street in 1817, the Bank of Montreal moved to newly constructed quarters on St. James Street overlooking historic Place d'Armes. At the time of this painting the Bank had just occupied its new domed edifice, to the left of which can be seen its former headquarters on the site now occupied by its present head office building. From these locations on St. James Street, which came to be known as the financial heart of Canada, the Bank has directed the establishment and operation of a branch organization that now consists of over one thousand offices from coast to coast in Canada and in six other countries. Many of the highlights of the Bank's progress have been associated with important milestones in the development of the country, so that the history of the Bank of Montreal is, in many ways, a reflection of the history of Canada itself.

The opening of the Montreal Bank (as the Bank of Montreal was initially called) on November 3, 1817, on St. Paul Street, then Montreal's main business thoroughfare, climaxed a quarter-century of effort to provide Canada with its first banking institution. Even in 1817 the venture lacked crucial support in Canada, and the nine founders were forced to proceed without benefit of an act of incorporation and had to rely on business associates in the United States for subscriptions to nearly half the capital stock. Once established, however, the Montreal Bank soon proved its value to the commercial community and by the time it was granted a charter as the "Bank of Montreal" in 1822 Canadians had repatriated all but 15 per cent of the Bank's shares.

The economy of the provinces of Upper and Lower Canada at the time of the Bank's founding was based primarily on the fur trade and the production of staples such as wheat, flour, timber and potash. Annual exports amounted to about \$3 million* while imports, consisting mostly of dry goods and other manufactured articles, totalled some \$5 million. The funds to cover this deficit came largely from the expenditures of the British Army, which maintained regular troops in Canada and was responsible for the construction of the colony's fortifications. While most of Canada's foreign trade was with Great Britain, an important interchange also took place with Vermont and other New England states which sent their staples to Montreal for re-export in order to circumvent the British Navigation Laws and to take advantage of British tariff preferences which favoured goods arriving from colonial ports.

Canada at the time had no currency of its own and, while most of its foreign trade was financed by bills of exchange, transactions in the domestic market were carried out largely by a system of barter. Several of the

more important mercantile firms, it is true, issued their own promissory notes or tokens, but their circulation was limited, and the heterogeneous foreign coins that found their way to the market place had to be weighed and measured every time they changed hands.

EARLY OPERATIONS. Despite its relatively small capital (\$1,000,000 authorized and \$150,000 paid up on its date of opening) the Bank of Montreal was able to make substantial contributions towards increasing the efficiency of Canadian trade, both foreign and domestic. Its issue of bank-notes, which it stood ready to redeem in specie at all times, gave Canada for the first time a reliable circulating medium.

The Bank was also able to bring a degree of order to the market for foreign exchange that had never existed before. Primarily as a result of the sale of its shares and the acceptance of deposits, the Bank acquired a stock of gold and silver which was made available for foreign exchange transactions at established rates.

There was also a considerable movement of silver coin between Canada and the United States. While the extensive American stock participation in Canada's first bank can be largely explained by the close commercial ties between Montreal and New England, another important factor may have been the necessity for New England merchants to obtain silver for the China trade. But the movement of coin was not all in one direction, as was revealed by a parliamentary report of 1829 which noted that the Bank of Montreal was responsible for importing over \$2 million in specie from the United States during its first eleven years of operation.

These specie transactions were augmented by substantial dealings in bills of exchange on Boston, New York and London, and while there is little evidence that Canada's fledgling bankers were strongly influenced by

Early Foreign-Exchange Transaction

Foreign-exchange operations a century and a half ago differed greatly from today's telegraphic transfers. This painting depicts part of a Bank of Montreal convoy en route to Boston in January 1818 with 130,000 Spanish dollars for the China trade. The better part of a week was required to complete the transaction as the silver coin, packed in sixty-five kegs and weighing more than three tons, had to be hauled by horse and sleigh over the snow-covered roads of mountainous New England.



*All currency figures pertaining to the period preceding Canada's adoption of the decimal system in 1857 have been converted from pounds at the "Halifax" rate.

First Great Canal Project

Although attempts had been made to build a canal around the Lachine Rapids as early as 1700, it was not until 1821 that construction of an operative waterway was commenced. Aided by advances from the Bank of Montreal to the Lachine Canal Commission, members of which can be seen here surveying work on the first lock at Windmill Point, the canal was completed in 1825. The eight-mile-long waterway contained seven locks and its cost of \$440,000 was borne by the government of Lower Canada.



precepts of economic theory, the Bank's foreign exchange operations were a clear example of Adam Smith's invisible hand: not only did they benefit the commercial community as a whole, but they also provided the Bank with much of its early profits.

Within a month of its founding, the Bank opened an agency at Quebec to serve two of its most important customers — the government of Lower Canada which acquired large amounts of specie from the collection of customs dues, and the British Army which required specie to pay its troops. So active were these accounts that in the summer of 1818 the Quebec agency was designated a branch with its own president and local board of directors. At the same time the opening of additional agencies at Toronto (then called York), Kingston, Queenston, Perth and Amherstburg set the pattern for branch banking in Canada.

DECLINE OF THE FUR TRADE. After the two great fur-trading organizations, the North West Company and the Hudson's Bay Company, were amalgamated under

the latter's name in 1821, most of the fur trade was conducted via the posts located on Hudson Bay. As a result, Montreal was estimated to have lost over \$150,000 a year in the form of wages and payments for provisions.

The Bank of Montreal shared in this loss when one of its major customers, William McGillivray, a senior partner in the North West Company, was forced to declare bankruptcy in 1826. The McGillivray debt to the Bank stood at close to \$90,000, at a time when the Bank's total assets amounted to about \$1.6 million, and it was as a direct result of this and a number of similar but less costly insolvencies that the Bank, in 1827 and 1828, failed to declare dividends for the first and last times in its history.

EARLY TRANSPORTATION IMPROVEMENTS.

The virtual disappearance of the fur trade from the St. Lawrence valley shifted the emphasis of the economy to the staple trade, and capital improvements not needed by the voyageurs in their birch-bark canoes began to appear.

Steamboats had been plying the St. Lawrence between

Early Days at Bytown

In 1842, when the Bank of Montreal opened a branch in the Wellington Street hotel pictured here, Bytown (renamed Ottawa in 1855) was known as the lumber capital of Canada. Every spring when the great drives came down the Ottawa River, the town became the scene of epic celebrations, and the Bank's agent was often called from his bed in the dead of night to cash drafts. While much of the lumber was rafted down to Quebec for export, a substantial quantity was processed locally by mills drawing their power from the Chaudière Falls.



Montreal and Quebec since 1809 but, because of the Lachine Rapids immediately above Montreal, water transportation upstream was restricted to rafts and small, shallow-draught bateaux and Durham boats which could be hauled over the rough water by teams of men or oxen. The first major step towards the improvement of this situation was the building of the Lachine Canal. When construction by a private company faltered, the government of the province took over, and the project was completed under a board of commissioners.

Several of the commissioners were closely connected with the Bank of Montreal and, while loans for capital improvements did not fall within the scope of the Bank's commercial banking principles, it agreed to advance money to the commission, for short periods, on the personal security of the commissioners.

The development of water transportation between Montreal and Lake Ontario met with a division of opinion. The merchants favoured improvements along

Lawrence Railroad Company, as it was called, was chartered in 1832 and the first train chugged over the 14½ miles of snakehead rails four years later. Again the Bank of Montreal was closely allied with an important Canadian development, the three main organizers of the railway all being directors of the Bank.

POLITICAL UPHEAVAL. The early 1830's were prosperous years for the Canadian provinces but beneath the surface rumbled the discontent that broke out into the open with the rebellions of 1837. Their result was the Durham Report and the union of Upper and Lower Canada into the Province of Canada in 1841.

Meanwhile economic expansion had prompted the directors of the Bank of Montreal to seek a capital increase when the Bank's charter came up for renewal in 1837. With the suspension of representative government, however, the legislative petition was shelved, and while the Bank in fact increased its capital from \$1 million to

Building the Houses of Parliament

With the exception of the Centre Block, which was rebuilt in 1920 after having been destroyed by fire, Canada's Parliament Buildings at Ottawa pre-date Confederation. Designed originally to house the legislature of the Province of Canada, and completed in 1866, they served their intended purpose for only a single year. In 1867 they were taken over by the first Dominion parliament which was composed of 181 members representing the provinces of New Brunswick, Nova Scotia, Ontario and Quebec.



the St. Lawrence River but the military, remembering the War of 1812, insisted on a route less vulnerable to American attack. The result was the construction, by the Royal Engineers, of the Rideau Canal between Ottawa and Kingston. While the canal was financed by the British Treasury, the Bank of Montreal was called upon to send agents to both Ottawa and Kingston to look after the payment of contractors and suppliers. This arrangement was made in spite of restrictive legislation passed by Upper Canada which had brought about the closing of all Bank of Montreal branches in that province.

Some indication of the trade between Montreal and Vermont has already been given; its relative importance is clearly revealed by the fact that Canada's first railway was built between St. John's and La Prairie in order to eliminate the circuitous Richelieu River route between Lake Champlain and Montreal. The Champlain and St.

\$2 million it had to revert to operating without a charter.

Despite its quasi-legal status, the Bank did not hesitate to take the lead when an economic crisis in 1837 caused the New York banks to cease redeeming their notes in specie. In order to prevent a heavy outflow of gold and silver to the United States, the Bank of Montreal suggested that specie suspension should also be put into effect in Lower Canada. All other banks and the leading merchants agreed and the Bank's decisive action was subsequently ratified by the Special Council acting as the provisional government.

The growing strength of the Bank of Montreal at this time is also attested to by its decision to circumvent the legal prohibitions against its branch operations in Upper Canada by buying the Toronto-based Bank of the People. Once the two Canadas were united the offices of the Bank of the People became branches of the Bank of Montreal,

and on the completion of this amalgamation the Bank's total assets exceeded \$4 million and the number of its branches was increased to nine.

THE PROVINCE OF CANADA. With the union of Upper and Lower Canada came the promise of further economic expansion when the British government agreed to guarantee a loan of \$6 million for the new province. Although the money was spent initially on a renovation of the St. Lawrence-Great Lakes canal system, it acted as a catalyst in a reawakening of economic activity that resulted in the appearance of new saw and grist mills, distilleries and small manufacturing plants.

The Bank of Montreal, having further increased its capital to \$3 million, played an important role in the government's canal program, making short-term loans to the construction firms in anticipation of payments on their contracts. However, when government remittances

service was extended to Montreal and Quebec City. The Bank of Montreal saw the great value of this new attempt to conquer Canada's vast distances and responded by providing financial support in the form of stock purchases and direct loans. The ability to exchange messages with Toronto and Quebec in a matter of minutes, instead of days, resulted in the disbandment of local boards of directors and the Bank's entire branch system became more centralized.

The economic expansion of the 1840's was cut short towards the end of the decade by a depression that weighed very heavily on the Canadian timber industry. When recovery proved hesitant, the then Finance Minister of the Province of Canada, Francis Hincks, decided on a series of bold manoeuvres calculated to inject some life into the economy and provide Canada with a much needed railway system.

While the Champlain and St. Lawrence Railroad had proved a great success and had returned substantial



Winnipeg in 1882

When the Bank of Montreal opened a branch at Winnipeg in 1877, the capital of Manitoba was still a small, isolated frontier community. Its closest ties were with St. Paul, Minnesota, some five hundred miles to the south, a long and laborious journey by paddle steamer and ox-cart. The completion of a railway to the American border in 1878, however, was soon followed by a flood of land-hungry settlers, and during the building of the Canadian Pacific's trans-continental line Winnipeg became the commercial and industrial centre of the entire Canadian northwest.

began to lag and it became apparent that the money in the provincial treasury was nearing exhaustion, the Bank refused to discount any more of the contractors' notes. The government of the Province of Canada took exception to this move and determined to "punish" the Bank by withdrawing its accounts in 1845.

The estrangement lasted less than a year, but the experience proved painful for the Bank when the man who had served as its general manager for nearly twenty years resigned under a hail of journalistic censure.

THE TELEGRAPH AND RAILWAY. Only two years after the first telegraph message was transmitted in the United States in 1844, a line was in operation between Toronto and Buffalo, and within another two years

profits to its backers, the completion of the St. Lawrence-Great Lakes canals had taken precedence over further railway construction in Canada. As a result, by 1850 there were only 66 miles of railway in all British North America in comparison with the 9,000 miles in operation or under construction in the United States. Judging that private initiative had failed, Hincks instituted government guarantees for railway debentures and created a municipal loan fund through which municipalities could pool their resources for the financing of railway construction. These measures were eminently successful and it has been estimated that a total of well over \$50 million was invested in Canadian railroads during the 1850's, with most of the capital coming from Britain.

Surprisingly enough in view of its association with

earlier pioneer developments, the Bank of Montreal participated only to a minor degree in Canada's first railway building boom. Whether or not its directors were still haunted by their experiences with the canal-builders of a decade earlier is unknown, but whatever the reason for the Bank's coolness towards loan application from railway companies this attitude soon appeared to be justified by events. The heavy capital inflow, in conjunction with the pressures exerted by the Crimean War and the increased economic activity engendered by a ten-year free trade agreement with the United States covering natural products (the Reciprocity Treaty of 1854), created a severe inflationary situation in Canada. Railway costs soared over original estimates and, when reaction set in, those banks that had advanced large sums to the railways found their security largely inadequate.

As had been the case with the canals, the money spent on the railways filtered through to the rest of the economy, and the Bank had no trouble putting its funds to work. So great was the demand for loans, in fact, that the Bank found it necessary to increase its capital twice during the 1850's, first to \$4 million and then to \$6 million, and its total assets grew to \$12 million before the decade was over.

THE ROAD TO CONFEDERATION. In the late 1850's another depression engulfed Canada. Its effects were particularly severe because of the inflationary heights to which the economy had risen during the preceding years. Many financial institutions found themselves in difficulties, most notably the Bank of Upper Canada which was then acting as the principal banker to the Province of Canada. When it became obvious that this bank would not weather the storm, the Bank of Montreal was appointed the fiscal agent of the Province, in Canada, on January 1, 1864.

The government's financial position at this time was scarcely to be envied: the poor showing of the railways had destroyed British confidence in Canada as a field for investment and its bonds had become unsalable on the London market. Between 1864 and Confederation in 1867, official monetary needs were met largely by advances from the Bank of Montreal and during much of this period the government had loans outstanding from the Bank of \$1.5 million. As this amount represented some 15 per cent of its total loans and discounts, the Bank, not unnaturally, was most receptive to any plan that might improve the government's financial position.

Twice since 1840 the government had attempted to assume the right of note issue but each time the legislative assembly, with strong backing from the banking fraternity, had defeated the proposal. In 1866, however, the Provincial Note Act was passed authorizing any bank to cease issuing its own notes in return for a specified compensation and to issue government notes in their stead. At a time when cheques formed only a minor part of the means of payment and when the banks looked upon an elastic note issue as essential to their operations, the government's offer was largely ignored by the nineteen chartered banks operating in the Province of Canada.

The only bank to take advantage of the Provincial Note Act, in fact, was the Bank of Montreal. In addition to its sizeable loans to the government, the Bank had some \$3 million tied up in provincial debentures (which were quoted well below par), and it was hoped that the provincial notes would receive a wide enough circulation to rejuvenate the government's financial position, thus improving its bond prices and enabling it to repay its current loans from the Bank. Despite its dominant position, the Bank of Montreal was unable to gain general acceptance for the provincial notes and had to continue its large-scale support of the government. After Confederation, the new

The Port of Vancouver

Soon after the C.P.R. completed its main line to the Pacific coast in 1885 the Bank of Montreal announced plans for the opening of a branch in Vancouver. The town's fine harbour led the C.P.R. to locate its western terminus there and with the acquisition of a contract from the British Government to carry mail between Liverpool and Oriental ports the railway established a trans-Pacific steamship service in 1887. The three original White Empresses, one of which can be seen berthed at the pier in this painting, were launched in 1891.



Pioneer Banker

Sent by Head Office to open a branch at Nelson, B.C., early in 1892, Arthur Buchanan found that he had to travel the last fifty miles on snowshoe. On top of this ordeal, he discovered, on reaching Nelson, that his operating funds had not yet arrived. As seen here, the weary banker stopped at the office of E. H. Applewhaite, private banker and real estate agent, and with \$13.50 from Applewhaite's till and \$2.50 from his own pocket Buchanan opened the Nelson branch of the Bank of Montreal in an abandoned barber shop on Main Street.



Dominion assumed the financial obligations of the various provinces and, while the Bank of Montreal became the federal government's banker, the note-issuing agreement was cancelled in 1870. The Dominion then took over the sole right to issue notes in denominations of less than four dollars, while the banks retained the privilege of issuing notes of larger denominations.

THE DOMINION OF CANADA. Anticipating the extension of the banking system under federal jurisdiction, the Bank of Montreal had secured office space in Halifax as early as February 1867. When the Dominion officially came into being on July 1, Bank representatives were already on their way to open branches in both Halifax and Saint John, N.B., where the Bank of Montreal was asked to establish substantial credits for the new federal government and "to receive the revenue and make disbursements for the Dominion."

The years that followed Confederation were generally prosperous for Canada as post Civil War reconstruction in the United States brought welcome demands to the newly enlarged economy. The short-lived Franco-Prussian War of 1870 also stimulated foreign markets for Canadian produce and at home the building of the Intercolonial Railway between Halifax and Quebec and the first steps towards a railway to the Pacific Coast added to the economic activity.

Despite the similarity to conditions in the 1850's, however, inflation did not reach such serious proportions, although prices in general rose about 10 per cent during the early 1870's.

The buoyancy of the economy is reflected in the granting of twenty-eight new bank charters between Confederation and 1874 and in the increase of paid-up banking capital from \$33 million to \$55 million over the same period. The capital of the Bank of Montreal was doubled from \$6 million to \$12 million and total assets rose to

\$39.5 million. While dividend payments reached 16 per cent, the Bank did not forget its conservative heritage and, very wisely as it proved, the rest fund was increased four-fold to \$5 million.

DEPRESSION AND THE NATIONAL POLICY. In 1873, a crash on the New York Stock Market heralded the most severe depression to strike the western world during the 19th century. Within two years the Canadian economy was virtually prostrate and between 1875 and 1878 there were some 7,200 commercial failures in the Dominion involving liabilities in excess of \$100 million. While the Bank of Montreal had to appropriate nearly \$4 million to cover bad and doubtful debts between 1875 and 1880, it was able to draw upon its balances in New York and London (where it had opened offices in 1859 and 1870, respectively) to sustain its customers at home. In 1879, a sum of \$500,000 had to be taken from the rest fund, but this marked the last time the Bank had to encroach upon this reserve.

Towards the end of the 1870's the Bank of Montreal began to take advantage of its offices in London and New York to engage in investment banking. Its first transactions were carried out in association with London bankers and involved underwriting loans for the Province of Quebec and the City of Montreal. In 1879, however, the Bank participated in another "first" when it undertook to float a Quebec issue on the New York market. As one New York newspaper noted, "these bankers have outbid the London bankers who wished to take the loan, and are about to try the first experiment in placing a foreign loan in this country on its merits." The issue was followed with great interest in the New York press and when all the bonds were sold within six days it was hailed as an unqualified success.

In Canada, the depression of the 1870's was responsible for the emergence of Sir John A. Macdonald's National

Policy, a program of high tariff barriers designed to shelter Canadian industry and to prevent American and British “dumping” during depressed periods. Using the National Policy as their platform, Macdonald and the Conservatives were elected by a large majority in 1878, but whether or not the resultant higher tariffs played a decisive role in the recovery experienced by the Canadian economy soon after is a moot point. Another factor bearing on the increase in economic activity within the Dominion was Macdonald’s vigorous promotion of a transcontinental railway.

RAILWAY TO THE PACIFIC. One of the conditions of British Columbia’s entrance into Confederation in 1871 was that a railway should be built from Eastern Canada to the Pacific Coast within a period of ten years. However, accusations of bribery in connection with the granting of a charter for construction of the railway, combined with the depression, had restricted the project to several disjointed sections built in British Columbia and Manitoba by the federal government.

It was not until a new charter was granted in 1881 to the Canadian Pacific Railway Company, in fact, that the laying of the track began in earnest. Breaking all previous construction records, the line cut through the boreal wilderness north of Lake Superior from its terminus at Callander, Ontario, traversed the broad, flat Prairies, threaded its way through the high passes of the Rockies and reached the Pacific coast of British Columbia, all within the space of five years, half the time allotted in the company’s contract with the government.

What makes this record the more remarkable is that the formidable geographical barriers were not the only obstacles with which the company had to contend. Despite the strong backing of an international syndicate of experienced financiers and a substantial land grant and subsidy from the Dominion, the railway was plagued by

financial problems. The antagonism of rival companies and British memories of the failure of earlier Canadian railway projects, together with conflicting reports on the agricultural potential of the Prairies, greatly hampered the sale of C.P.R. securities in London, and most of the initial capital was raised in the United States.

With three of the railway’s principals closely connected with the Bank of Montreal, Canada’s foremost financial institution was again called upon to come to the aid of an undertaking of national importance. Loans from the Bank, in keeping with its commercial lending principles, were limited to the short-term and secured personally by the directors of the railway. Although the largest sum owed by the C.P.R. to the Bank at any one time was \$3.5 million, the Bank also undertook ancillary financing of contractors and suppliers, so that when the line was completed and the C.P.R. repaid its various debts, the loans and discounts of the Bank of Montreal fell by \$7 million, or more than 20 per cent.

The completion of the railway, it was fully expected, would open the west to a surge of settlement, cultivation and mineral production that would soon enable Canada to rival the United States as one of the world’s leading economic powers. The Bank of Montreal had opened a branch at Winnipeg in 1877 and five years later the shareholders were told that the streets of that western city were “more crowded than Broadway, New York.” As the railway progressed westward the Bank entered the other Prairie Provinces, Saskatchewan in 1883 with a branch at Regina, and Alberta in 1886 with a branch at Calgary. The Bank’s first branch in British Columbia was opened at Vancouver in 1887.

Canadian hopes for the west, however, had to be deferred. The United States still proved a more attractive proposition for colonists and those that did settle on the Canadian prairies encountered difficulties because existing strains of wheat and other grains often failed to reach



Fish-Drying in the Atlantic Provinces

One of the world’s greatest fishing grounds is located on the continental shelf off Canada’s east coast, and, long before the arrival of settlers, European fishermen were reaping a rich marine harvest on the Grand Banks. The fish were dried in the sheltered coves of Newfoundland and Nova Scotia, where settlements eventually grew up, and although most of Canada’s catch is now exported in fresh, frozen or canned form, fish may still be seen drying on the flakes in the manner depicted here.

Lakehead Shipping

The first grain elevators at the lakehead cities of Port Arthur and Fort William were built in the 1880's to provide storage, grading, inspection and cleaning facilities for Canada's prairie wheat crop. By the turn of the century most of the grain was pumped directly from the elevators through pipes into the compartments of bulk carriers, such as those seen in this picture. These vessels, known as "lakers", were specially designed to carry grain only to ports on the lower Great Lakes, being too large to pass through the locks of the St. Lawrence canals.



maturity in the short agricultural season. The failure of the west to realize its expected potential coincided with a period of generally low prices throughout the world and the stagnation that pervaded the Canadian economy did not dissipate until the turn of the century. In the decade following the completion of the Canadian Pacific Railway in 1886, the total assets of the Bank of Montreal grew by less than \$10 million.

ENTRY INTO NEWFOUNDLAND. While the generally depressed condition of world markets and the persistent low level of commodity prices were instrumental in stifling the development of the west, they brought near disaster to Newfoundland which depended almost entirely on the sale of fish for its livelihood. So serious had the situation become by 1894, in fact, that the decision of an important mercantile firm to discontinue marketing the island's fish brought about a complete collapse of the economy. Newfoundland's two commercial banks held out as long as they could, but faced with an unrelenting drain of specie they soon had to close their doors. The government of the colony appealed to the Canadian banks and three of them, including the Bank of Montreal, responded by opening branches on the island. The Bank of Montreal was able to provide substantial credits not only to the fishing industry but also to those engaged in railway construction. In addition, the Bank took over the account of the Newfoundland government and provided funds to meet its interest payments in London.

EXPANSION IN THE WEST. While only three quarters of a million immigrants entered Canada between 1886 and 1900, more than double that number arrived during the first decade of the new century. Prairie villages became cities almost overnight: Saskatoon, for example, increased its population from 113 in 1901 to 12,004 in 1911 while Edmonton grew from 2,626 to 24,900 and Calgary from 4,398 to 43,704. During the same decade,

Canada's wheat production tripled, thanks to the development of fast ripening strains; two new transcontinental railways were constructed; and with eastern industry responding to the demands of the burgeoning west the gross value of manufacturing production doubled. The number of bank branches increased threefold, most of the new offices being located in the west where they were often opened in a tent or wooden shack erected by the manager and his staff on the day of their arrival.

The Bank of Montreal largely refrained from entering the scramble for representation throughout the west at this time, and one reason may have been its concentration on investment banking. In 1892 the Dominion government had withdrawn its London fiscal agency from the two British houses that had held the Canadian account since the 1830's and awarded it to the Bank of Montreal. The Bank thereafter not only handled the government's domestic business but was also responsible for floating Dominion bond issues on the London market. When, after the turn of the century, British investor confidence in Canada was revived the Bank's operations through its London branch reached what was then considered immense proportions. For example, between 1906 and 1913, according to a contemporary estimate, British capital commitments in both public and private sectors of the Dominion increased by £246 million, half of which was negotiated by the Bank of Montreal.

In addition to its underwriting operations, the Bank took steps during the first decade of the new century to improve its position in the east alongside Canada's emerging industries. To this end, amalgamations were effected with several existing institutions, the Exchange Bank of Yarmouth, the People's Bank of Halifax and the People's Bank of New Brunswick, all of which had well established branches and provided the Bank of Montreal with important outlets in the Maritimes and Québec. Another acquisition, the Ontario Bank, took place in 1906,

but this was really little more than a salvage operation because that bank had been forced into liquidation.

WORLD WAR I. When World War I broke out, the Bank of Montreal was the largest financial institution in Canada, having assets of \$260 million, 179 offices and 1,650 employees. The departure of 810 members of the staff to join the armed forces put a great strain on the Bank at a time when its volume of business was increasing, particularly in connection with its role as the government's banker and fiscal agent in London. This staff depletion led to the hiring of women in large numbers and by the war's end over 40 per cent of the Bank's employees were female.

While the war had a profound and lasting effect on most aspects of Canadian life, perhaps no change was more far-reaching than that which occurred in the direction of Canada's financing. Hitherto the great majority of Canadian issues, public and private, had been floated in Britain, but with the closing of the London market to foreign securities the Bank and the government decided to try placing a Dominion issue in New York. Its undoubted success opened the way for a major shift of Canadian external financing that has never been reversed. The exigencies of war also made the development of Canada's domestic capital resources mandatory and the success of Victory Bond sales through chartered bank branches all across the country, although helped to a certain extent by monetary expansion, revealed a wealth of savings beyond all expectations.

When the frenzied war-time activity ceased and the troops returned to seek civilian jobs, the Canadian economy suffered grave dislocations which resulted in serious strikes and widespread social unrest. Once industry could retool for peace-time production the pent-up demand of the war years emerged, and economic activity rose to new heights. But the prosperity, stimulated by the continuance of war-time monetary expansion, was both false and short-lived. The boom was checked in 1920 by a world-wide crash that affected many sectors of the Canadian economy nearly as seriously as that which was to occur in 1929.

THE TWENTIES. By the time the economy emerged from the depression in the mid 1920's, Canada had witnessed its last bank failure and the assets of its chartered banking system had been consolidated in eleven institutions. The trend towards fewer and larger banks had started at the beginning of the century and by 1925 a total of twenty-seven amalgamations had taken place. While the mergers effected by the Bank of Montreal in the first decade of the century had greatly strengthened its position in the east, the acquisition of the Bank of British North America in 1918 and the Merchants Bank of Canada in 1922 brought into the fold two banks which had led the way in the opening of the west. In 1925 the Molsons Bank, a Montreal-based institution with good rural representation in Quebec and Ontario, was also absorbed and this brought the total number of Bank of Montreal offices to 617, an increase of 438 since 1915.



The Mechanization of Lumbering

The Canadian lumber industry expanded rapidly during the first two decades of the 20th century to serve a rising domestic demand and important export markets in England and the United States. As the large trees sought by the lumbermen became less and less accessible, logging railways began to penetrate the woods. Felled during the winter cutting period, the trees were dragged by teams of horses to the rail spurs to await the arrival of spring. When the snow melted and the trains were able to get through, the logs were lifted by steam-operated cranes onto flat-cars for transportation to the mill.

Nickel Mill Near Sudbury

Canada's mining industry has been one of the mainstays of its economy throughout most of the 20th century, and in 1966 nickel accounted for about 10 per cent of a total mineral production valued at more than \$4 billion. Canada's first major nickel discovery was made near Sudbury, Ontario, during construction of the main line of the C.P.R. in 1883. There are now twelve mines in that area which, with others in northern Manitoba, produce nearly 60 per cent of the world's nickel. Much of the ore is processed near Sudbury in large smelters such as the one depicted in this painting.



The trebling of its branches within a decade brought about significant changes in the nature of the Bank's business. Ever since Confederation, Canada's first bank had concentrated on larger accounts, government and corporate, but with so many of its newly acquired branches accustomed to handling smaller accounts, the emphasis of the Bank's operations began to change.

In many ways, once the post-war dislocations were overcome, the 1920's were similar to the first decade of the century, in that Canada, aided by large inflows of foreign capital, experienced a phase of extremely rapid growth and development. In the earlier period foreign investment had come largely from Britain and had been attracted to western agricultural development and railway construction. In the 1920's, however, the heaviest capital inflow was from the United States and it was directed to mining and manufacturing. With its well established agency in New York the Bank of Montreal was again able to play an important role in the investment process.

THE GREAT DEPRESSION. The extent of the depression of the 1930's can be summarized in two comparisons. In 1928 Canada's Gross National Product was \$6 billion and the number of unemployed members of the civilian labour force was 65,000. In 1933 these figures were \$3.5 billion and 826,000 respectively.

This drastic deterioration in the economy was naturally reflected in the balance sheet of the Bank of Montreal, and its assets, which had nearly reached the billion-dollar mark in 1929, dropped below \$800 million for five consecutive years. All other banks in the country experienced

similar declines, but while a total of 430 branches were closed throughout the Dominion there were no bank failures and not even a temporary suspension of banking services such as occurred in the United States.

As the depression deepened, it became clear that the lack of a central monetary policy was seriously impeding the country's recovery, and in 1933 the Macmillan Commission was appointed with wide powers to inquire into Canada's financial structure. As a result of its report central banking was instituted in Canada two years later with the establishment of the Bank of Canada. This gave the government extensive powers over Canada's monetary system and while it is true that the chartered banks opposed the idea of a central bank in their submissions to the Commission, it is also well documented that their co-operation with the Bank of Canada, once established, has invariably extended well beyond the letter of the law. For the Bank of Montreal the advent of the Bank of Canada had a further significance. Since the formation of the Dominion nearly seventy years earlier, the Bank of Montreal had served as banker to the federal government in Canada: after 1935 all chartered banks shared the government account.

WORLD WAR II. While taxation played a much more prominent role in the financing of World War II than it did in meeting the costs of World War I, the government again relied heavily on the savings of the Canadian people. Once more the chartered banks were used extensively in the selling of bonds to the public and, in fact, the National War Finance Committee, under which the

several Victory Bond campaigns were planned and launched, was headed by a senior officer of the Bank of Montreal on loan to the government.

Numerous other Bank employees were seconded to work for the various federal war-time agencies and the departure of 1,450 members of the staff for the armed services left the Bank seriously short of personnel. The manpower situation among all banks was such, in fact, that at the suggestion of the government a general reduction in branches was undertaken. Despite these problems, the number of the Bank's customers increased throughout the war so that by 1946 it could proudly claim to be "My Bank" to a million Canadians, and by 1949 its assets exceeded \$2 billion.

POST-WAR PROSPERITY. After the last of the war-time controls were lifted in 1950 Canada entered on a period of rapid economic development that has continued, with minor setbacks, to the present day. Since 1950 the country's population has grown by nearly 50 per cent and with Gross National Product trebling over the same period the banks have found themselves providing a wider range of services to an ever increasing number of customers.

Fortunately, this unprecedented rise in the demand for banking facilities has been accompanied by important developments in the field of electronic data-processing, and the use of advanced computer systems has enabled the Bank of Montreal to keep pace with a rapidly increasing volume of routine while expanding and improving its services to the public. But the Bank has not by any means relied solely on tech-

nological progress to meet the requirements of Canada's dynamic economy. In conjunction with a vigorous program of branch expansion, new recruiting and training practices have been implemented to increase the skill of personnel at all levels, and the responsibilities of divisional officers and branch managers have been greatly expanded to decentralize operations and to bring the decision-making process closer to the customer.

The expansion of the Bank's business during the post-war period is, however, nowhere more clearly visible than in the annual statements. Whereas it took 132 years for the Bank of Montreal to accumulate total assets of \$2 billion, only thirteen years elapsed before another \$2 billion were acquired, and almost \$2 billion more have been added to the balance sheet in the last five years.

As it nears the 150th anniversary of its founding, Canada's first bank has more than 1,000 offices in seven countries, over 17,000 employees and total assets approaching \$6 billion.



The Bank's present head office.

The text of this Review is based on Canada's First Bank: A History of the Bank of Montreal written by Merrill Denison and published by McClelland and Stewart Limited in two volumes, the second of which will appear next month. The illustrations on pages 1, 10 and 12 are from the Bank's own collection; the picture of Winnipeg on page 5 is reproduced with the permission of the Glenbow Foundation, Calgary, and that of the nickel mill on page 11 by Clarence A. Carter is from The House of Seagram Collection; the remaining paintings, all by Canadian artists, were commissioned by the Bank for its History.

Statistical Record of the Bank of Montreal

(Dollar Figures in Thousands)	1817*	1842	1867	1892	1917	1942	1967†
Total Assets	150	4,142	19,787	51,058	403,980	1,175,319	5,854,158
Loans and Discounts	—	3,693	11,022	34,069	220,050	271,134	3,490,792
Deposits	—	980	11,199	26,977	335,439	1,064,645	5,429,579
Paid-up Capital	150	2,000	6,000	12,000	16,000	36,000	60,750
Rest Fund	—	200	1,250	6,000	16,000	39,000	168,000
Net Profits	—	185	906	1,326	2,170	2,783	19,906‡
Number of Offices	1	9	26	40	183	480	1,029

*Nov. 3, 1817

†July 31, 1967

‡Year Ended Oct. 31, 1966

Bank of Montreal

HEAD OFFICE: MONTREAL



AR49

file →

Bank of Montreal



Graduate Opportunities
at Canada's First Bank



Bank of Montreal

FOUNDED IN 1817

HEAD OFFICE, MONTREAL, QUEBEC

OVER 1000 OFFICES IN CANADA AND ABROAD

Divisional Office Locations in Canada

British Columbia Division, Vancouver, B.C.

Alberta Division, Calgary, Alberta

Manitoba and Saskatchewan Division, Winnipeg, Manitoba

Ontario Division, Toronto, Ontario

Montreal Division, Montreal, Quebec

Quebec Division, Quebec, P.Q.

Atlantic Provinces Division, Halifax, Nova Scotia

Locations Outside of Canada

GREAT BRITAIN—London, England

CONTINENTAL EUROPE—Paris, France

Düsseldorf, Federal Republic of Germany

UNITED STATES—Agency, Bank of Montreal, New York, N.Y.

Bank of Montreal (California), San Francisco,
and Los Angeles, California

Resident Representative's Office—Chicago, Ill.

Resident Representative's Office—Houston, Texas

MEXICO—Representative's Office, Mexico City

JAPAN—Far East Representative's Office, Tokyo, Japan

CARIBBEAN AREA—Affiliate: Bank of London and Montreal Limited,

Head Office: Nassau, Bahamas

Why banking? Why Bank of Montreal?

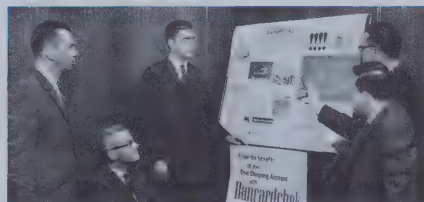
Change in our time is universal and continuous. But nowhere has change been more widespread than in Canadian banking during the last few years. Furthermore, the changes to come in banking in the next decades will be even greater as competition continues to intensify and as the needs of business and society for banking services become steadily more demanding.



Banking is no longer to be considered a conservative career. Today's new bankers need a breadth of outlook which encompasses the whole range of business . . . they need imagination and versatility . . . they need to be in the forefront as innovators and as leaders.



And among Canada's chartered banks, Bank of Montreal is now known as the bank which is moving ahead fastest and with the most determination. So much so that Bank of Montreal has become the first choice for Canada's brightest, most aggressive and most ambitious graduates.



Bank of Montreal regards recruitment of such men as one of its foremost objectives at this crucial stage in its evolution. Top management of the Bank has organized a major effort to recruit only the type of graduate who can grow quickly to take on tough and demanding management jobs just as fast as their abilities will let them.



FULLY COMPETITIVE SALARIES...EFFECTIVE PERSONNEL DEVELOPMENT.

THE OPPORTUNITY IS HERE TO GO FURTHER, FASTER...WITH BANK OF MONTREAL.

J. P. NEWMAN & C. E. GARIN — Project Team — Head Office

Marketing is recognized as a vital factor in the successful operation of the Bank. Carlos Garin (pointing) and Paul Newman (standing, left) are discussing some recently implemented customer services with members of the Head Office Marketing Department. Paul joined the Bank in 1966 after obtaining his Bachelor of Arts and Master of Business Administration Degrees, while Carlos obtained his Bachelor of Commerce and Master of Business Administration Degrees prior to coming to the Bank in 1967. Both are currently assigned to one of the Bank's Corporate Project Teams.





A new course of action

The Bank of Montreal is undergoing an extensive reorganization to meet the needs of a changing and expanding economy. Through decentralization, we are developing a flexibility and responsiveness to change which will be unique in the financial community. More and more authority is being given to the man on the spot to make decisions based on his own judgment and knowledge of regional conditions.

Young managers to-day operate in an environment that encourages individual initiative, where there is a high degree of personal accountability for actions and decisions; where creative thinking and results are quickly recognized and well rewarded. Both the reorganization, with its new ways of doing business, and rapid expansion over the last few years, have created a need for young men capable of moving ahead rapidly to positions of responsibility in such an environment.

Fundamental to its new course of action, the Bank of Montreal has as its goal the continued recognition by business and the general community as one of Canada's leading financial corporations. A bank, unlike industry, does not manufacture a product; instead, it is known by the quality and range of its services which are inseparably linked to a deep knowledge of its customers' business and personal financial

needs. In order to advance our competitive position, we are relying on three basic factors: the capabilities of our people . . . the creation of new customer services . . . and profitability.

- our Bank can only be as good as the people who plan and provide its services. It is therefore essential for us to obtain, train and develop the highest calibre of personnel of any bank.
- "innovation" is a byword at the Bank of Montreal these days. New ways to serve the changing needs of a growing public as efficiently as possible are constantly sought. Never before in our 150-year history have so many changes come at once, and the present climate in the Bank is one of receptiveness to initiative and new ideas.
- a vital element of our programme is profit planning. Each person's performance is evaluated against specific quantitative goals covering the factors he controls, which affect the overall success of the Bank's operations.

We have reorganized. We are expanding both our services and the number of our branches. The new course of action is under way.

*J. P. A. POMIER — Assistant to the Accountant —
Jean Talon St. & Querbes Ave. Branch, Montreal*

Heavy emphasis is placed on seminar discussions during all phases of the Special Development Programme. Paul Pomier, who joined the Bank in 1966 after receiving his Bachelor of Business Administration Degree, is seen reviewing a presentation he has just made to a group of Special Development Programme participants. Paul received his initial training at Westmount Branch in Montreal and recently was appointed Assistant to the Accountant at Jean Talon Street & Querbes Avenue Branch also in Montreal.





Career Development

Developing interested, capable men for management responsibilities is one of the greatest challenges to business. It makes little difference whether you have a degree in liberal arts, the sciences, commerce, business administration, or other academic disciplines. You start immediately on our Special Development Programme designed to provide an overall understanding of banking in general and the Bank of Montreal in particular. The programme emphasizes on-the-job experience, strongly supported by related training seminars. Training is conducted at each Divisional location across Canada and in specific branches whose range of activities offers unique advantages for this training.

Career development is accelerated to advance graduates into management responsibility as soon as possible. We know that ambitious, capable men want and need responsibility early in their career. At the same time, we recognize that each individual has particular interests and capabilities and thus, movement through the programme is at his own pace.

From the outset, the graduate who shows potential for advancement is given maximum opportunity for development. More-

over you are informed of your progress through regular evaluations of your performance.

Following initial orientation, you will gain a comprehensive knowledge of branch operations by participating in many branch functions, including foreign exchange, securities and credit. Within a year your basic training should be completed. After this, you will be assigned to actual management positions with the main objective being the development of your analytical, planning, organizing and supervisory skills. These assignments, with related training seminars, include: —

Accountant (Office Manager) — In this key position, essential to the successful operation of a branch, you will be responsible, under the guidance of your Manager, for the administration of most of the daily business transactions.

Credit Analysis — Granting credit is a principal banking function. Your assignment here requires the development of astute judgment and keen analytical ability necessary to the effective appraisal of individual and corporate credit worthiness.

(Continued)

R. J. GRAY — Credit Officer — King & Yonge Sts. Branch, Toronto
Providing an efficient banking service to industry requires a first-hand knowledge of a commercial customer's business. Here, the supervisor of a large manufacturing concern is seen explaining a feature of his plant's operation to Bob Gray who joined the Bank in 1965 with a Bachelor's Degree in Commerce. Bob went through basic training and early phases of the Special Development Programme at Bloor and Bay Streets Branch, and at present is a Credit Officer at King & Yonge Streets Branch, Toronto.





(Career Development Continued)

Following credit experience in the Special Development Programme, you receive concentrated orientation at the Divisional and Head Office levels. Here, in association with highly qualified professionals in the specialist banking areas, you acquire an appreciation of these areas designed to give you a wide perspective of the Bank's overall operations. Additionally, you receive experience necessary to guide you in the direction of your further development. While most graduates prefer a career in branch banking, your preference may lead to management within a specialized function at Head Office or in a Division. Development plans are provided for promising young managers in Credit, Marketing, Administration, Personnel, International Banking, Foreign Exchange, Securities and Economics.

If branch management is your choice,

planned development continues as competence is gained through increasingly diversified work experience, seminar participation and frequently, outside study. Your appointment as Assistant Branch Manager, usually within four years of starting on the Special Development Programme, but sooner for the exceptional man, permits enlargement of your management responsibilities. With this additional experience and background, you are now ready to become Manager of your own branch; the total elapsed time from the start of the programme being about five years.

Thereafter, you are able to realize your full potential through a modern management development programme based on a policy of promotion from within. Our campus interviewer will be pleased to discuss further details concerning the opportunities available through the Special Development Programme.

C. E. KENNEDY — Accountant — Queen St. East & Beech Ave. Branch, Toronto
Charles Kennedy received his Bachelor of Business Administration Degree prior to starting with the Bank in 1966. He went through the early phases of the Special Development Programme at our Main Offices in Charlottetown and Halifax. Charles was recently appointed Accountant at Queen Street East & Beech Avenue Branch, Toronto where he is seen discussing a loan application with a customer.



Not one career, but many

What can you expect in a modern banking environment after the Special Development Programme?

It depends on the direction of your career. For example:

In Branch management...

You would ESTABLISH and ACHIEVE profit and growth objectives . . . ADMINISTER credit and loan activities . . . MARKET the Bank's service offerings and CARRY OUT promotional programmes to increase share of loan and deposit business . . . DEVELOP important accounts and prospects . . . ENSURE effective training of your personnel . . . MAXIMIZE use of all of branch resources.

In Securities work...

You would ANALYZE information on investments, market conditions and trends . . . ADVISE on and TRANSACT the sale and purchase of securities for the Bank's account . . . PREPARE and PROVIDE financial information for customers, branches and other departments of the Bank . . . MAINTAIN close contact with the financial community to support underwriting and trading responsibilities.

In Marketing...

You would PREPARE and RECOMMEND branch extension plans . . . INVESTIGATE methods of improving branch site selection . . . ANALYZE present retail services for suitability and profitability . . . CONDUCT market studies to identify opportunities for new service offerings . . . DEVELOP and PROMOTE marketing plans to increase the Bank's share of deposit and loan business with retail and commercial customers . . . ASSIST in developing and implementing Divisional marketing plans.

In the Credit area...

You would PROMOTE the profitable use of the Bank's loan dollars consistent with reasonable levels of risk . . . EVALUATE and DECIDE upon credits . . . ANALYZE condi-

tions effecting extension of credit, credit trends and developments . . . ADVISE on credit matters and INTERPRET accurately the credit policies of the Bank.

In Economics...

You would DEVELOP monthly Business Reviews and articles for publication . . . PREPARE reviews of business conditions and forecasts of economic variables . . . RESEARCH and ANALYZE background information for industry studies . . . ADVISE on economic matters generally.

In Administration...

You would ENSURE the proper functioning of financial control and accounting systems . . . PREPARE and RECOMMEND annual and long range goals for growth and profits . . . MEASURE and REPORT cost performance against plans and budgets . . . DIRECT the development of improved systems, methods and procedures . . . PLAN and IMPLEMENT profit improvement and cost reduction projects.

In the Personnel field...

You would DETERMINE personnel requirements . . . DEVELOP and IMPLEMENT plans to meet these needs . . . ADMINISTER recruitment and selection programmes . . . PREPARE, DIRECT and CO-ORDINATE programmes covering training, employee development, compensation and benefits.

Or in International Banking...

You would ANALYZE and RECOMMEND plans for the composition of foreign asset and liability accounts to maximize yield consistent with credit, risk and liquidity policies . . . INVESTIGATE and DEVELOP through foreign trade associations first hand knowledge of international banking opportunities . . . MAINTAIN close relationship with correspondent banks on international transactions . . . ADVISE and ASSIST customers and other Bank activities regarding international trade and banking matters . . . and TRAVEL widely.

B. R. WONG — Credit Officer — British Columbia Division

Ben joined the Bank in 1964 after obtaining his Bachelor of Commerce Degree. He completed his basic training at Main & Hastings Streets Branch in Vancouver. Since then, his work has included the areas of Foreign Exchange and Securities. As a participant in the Special Development Programme, Ben was recently appointed to British Columbia Division's Credit Department and is seen here discussing a large loan application with another member of the department.





Salary

Starting salaries are based upon an evaluation of each graduate's academic background and work experience. As the result of newly implemented salary policies, the Bank's salary structure is fully competitive. Starting salaries are not the only considera-

tion; salary progression within the reorganized Bank of Montreal ensures that as the individual progresses in his career he will receive remuneration based on demonstrated performance and at a level competitive with other Canadian businesses.

Benefits

The Bank of Montreal has been first and foremost in the employee benefit field for many years. These benefits include the following: —

Liberal group life, pension, sickness and accident insurance plans;

Tuition refund plan — As part of a policy to encourage employee development, the Bank offers a refund of tuition fees following

successful completion of an approved course of study;

Leave of absence for further education — Employees may be granted renewable one-year leaves of absence for educational reasons when certain standards are met.

Our representative will be pleased to discuss details with you at the time of your campus interview.

W. J. STAFFORD & W. N. G. ROBINSON — Project Team — Head Office

Prior to starting with the Bank, Bill Stafford (foreground) obtained his Bachelor of Commerce Degree in 1966 and Master of Business Administration Degree in 1967. He is seen with Bill Robinson who received his Bachelor of Engineering Degree in 1962 and his Master of Business Administration Degree in 1967. Both men are working on one of the Bank's Corporate Project Teams and are seen here examining a print-out of information relative to a current assignment.





Where you would be located

You will be assigned initially to a specially selected branch in a large commercial centre.

As you advance in an organization consisting of seven major divisions and over one thousand branch locations, a certain amount of travel and relocation can be expected. Such relocations usually involve promotions forming an integral part of career development. Thus, an ambitious graduate who is seriously interested in banking should expect to be moved during his career.

While the majority of opportunities are to be found in Canada, your career could

involve international postings to different countries, including among others, the United States, Great Britain, France, Germany, Mexico, Japan or to our affiliate in the Caribbean. And this is only the beginning of your exposure to a variety of economic and social environments.

Whether in Canada or overseas, you will discover the unique quality of a particular locality, thus deepening your appreciation of the wider pattern of banking. Throughout your career and travels, you will meet skilled and experienced leaders in all walks of life who will seek your professional advice.

*K. R. MITCHELL — Recruitment Supervisor —
Organization & Personnel, Head Office*

Kyle joined the Bank after obtaining Bachelor of Commerce and Bachelor of Law Degrees and was recently appointed Recruitment Supervisor, Head Office. Kyle's responsibility is the co-ordination of the Bank's graduate recruiting programme and he is seen here on his way to discuss career opportunities with graduating students.



3



How to apply

Now that you have reviewed this brief description of opportunities for graduates, you may be interested in learning more about a career with the Bank of Montreal. Contact your placement officer and arrange for a campus interview with our representative. Or you may prefer to forward a copy of your resume to the *Personnel Manager* in one of the following locations:

VANCOUVER
Bank of Montreal
640 Pender St.
Vancouver, B.C.

CALGARY
Bank of Montreal
140 Eighth Ave.
Calgary, Alta.

WINNIPEG
Bank of Montreal
335 Main St.
Winnipeg, Man.

TORONTO
Bank of Montreal
50 King St. W.
Toronto, Ont.

MONTREAL
Bank of Montreal, Suite 3200
630 Dorchester Blvd. West
Montreal, P.Q.

QUEBEC CITY
Bank of Montreal
116 St. Peter St.
Quebec, P.Q.

HALIFAX
Bank of Montreal
Corner Hollis & George Sts.
Halifax, N.S.



Bank of Montreal



Bank of Montreal

Canada's First Bank

A few facts about Canada's First Bank...

Personnel

Total employees
(foreign and domestic) 16,000

Customers

Total number of accounts 3,700,000

Assets

Total assets exceed \$5,500,000,000

Branches

Offices in Canada and abroad 1,030

